

***United States Court of Appeals  
for the Second Circuit***



**APPENDIX**





# 74-1860 <sup>B</sup>

## United States Court of Appeals

FOR THE SECOND CIRCUIT

Docket Nos. 74-1860, 74-1869

P/S

UNITED STATES OF AMERICA,

*Appellee,*

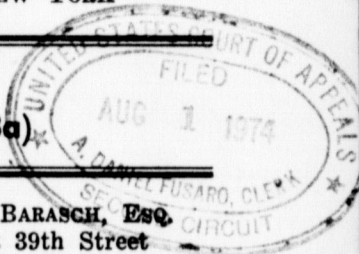
—v.—

GEORGE STOFISKY, CHARLES HOFF, AL GOLD  
and CLIFFORD LAGEOLES,

*Defendants-Appellants.*

ON APPEAL FROM THE UNITED STATES DISTRICT COURT  
FOR THE SOUTHERN DISTRICT OF NEW YORK

### JOINT APPENDIX (Volume I—pages 1a-428a)



WEISS ROSENTHAL HELLER &  
SCHWARTZMAN  
295 Madison Avenue  
New York, New York 10017  
Tel. No. (212) 725 - 9200

- and -

ROONEY & EVANS  
521 Fifth Avenue  
New York, New York 10017  
Tel. No. (212) 682 - 4343  
*Co-Counsel for Defendants-Appellants George Stofsky and Al Gold*

STEPHEN BARASCH, Esq.  
27 East 39th Street  
New York, New York  
Tel. No. (212) 689 - 1844  
*Attorney for Defendants-Appellants Charles Hoff and Clifford Lageoles*

PAUL J. CURRAN, Esq.  
*United States Attorney for the Southern District of New York*  
United States Courthouse  
Foley Square  
New York, New York 10007  
*Attorney for Appellee United States of America*

PAGINATION AS IN ORIGINAL COPY

## TABLE OF CONTENTS

	PAGE
Docket Entries .....	1a
Indictment .....	10a
Opinion of Lawrence W. Pierce, <i>D.J.</i> , Dated December 21, 1973 .....	21a
Excerpts From Trial Transcript .....	48a

### VOLUME II

Defendants' Summation by Mr. Abramowitz .....	610a
Government's Summation by Mr. Sabetta .....	621a
Charge of the Court .....	632a
Verdict .....	684a
Notice of Motion .....	698a
Affidavit of Elkan Abramowitz, in Support of Motion ....	699a
Exhibit "A", Annexed to Foregoing Affidavit .....	705a
Exhibit "B", Annexed to Foregoing Affidavit .....	706a
Exhibit "C", Annexed to Foregoing Affidavit .....	707a
Exhibit "D", Annexed to Foregoing Affidavit .....	710a
Exhibit "E", Annexed to Foregoing Affidavit .....	711a
Exhibit "F", Annexed to Foregoing Affidavit .....	712a
Exhibit "G", Annexed to Foregoing Affidavit .....	730a
Exhibit "H", Annexed to Foregoing Affidavit .....	732a
Exhibit "I", Annexed to Foregoing Affidavit .....	741a



	PAGE
Affidavit of John C. Sabetta, in Opposition to Motion ....	742a
Exhibit 1, Annexed to Foregoing Affidavit .....	750a
Affidavit of Fred H. Hinck .....	752a
Affidavit of Peter Russack .....	756a
Affidavit of Bruce C. Saxton .....	759a
Affidavit of George F. Rickey .....	761a
Affidavit of Elkan Abramowitz .....	763a
Affidavit of Patricia M. Clarkson .....	777a
Letter from The East New York Savings Bank to Mr. E. Abramowitz, dated February 19, 1974 .....	778a
Transcript of Decision from the Bench Denying Motion for New Trial, May 31, 1974 .....	779a
Judgment (George Stofsky) .....	780a
Judgment (Charles Hoff) .....	783a
Judgment (Al Gold) .....	786a
Judgment (Clifford Lageoles) .....	789a
Opinion of Lawrence W. Pierce, <i>D.J.</i> re: Motion for New Trial, Dated June 12, 1974 .....	791a

## TESTIMONY

	PAGE
Witnesses for the Government:	
Jack Glasser	
Direct .....	48a
Cross .....	104a
Redirect .....	169a
Recross .....	172a
Betty Glasser	
Direct .....	174a
Cross .....	179a
Daniel Ginsberg	
Direct .....	185a
Cross .....	193a
Sidney Reiss	
Direct .....	199a
Cross .....	201a
Redirect .....	204a
Recross .....	206a
Irving Anolik	
Direct .....	208a
Cross .....	213a
Walter Stiel	
Direct .....	214a
Cross .....	222a
Redirect .....	239a
Daniel B. Grossman	
Direct .....	239a
Cross .....	267a
Redirect .....	309a

**William Poulos**

Direct .....	315a
Cross .....	319a

**Harold Cammer**

Direct .....	324a
Cross .....	326a

**Jack Glasser (Recalled)**

Redirect .....	326a
Cross .....	328a
Redirect .....	332a
Recross .....	334a

**Harry Jaffee**

Direct .....	334a
Cross .....	339a
Redirect .....	342a

**Anthony Passaretti**

Direct .....	343a
Cross .....	348a

**Witnesses for the Defendants:****George Stofsky**

Direct .....	350a
Cross .....	375a

**VOLUME II**

Redirect .....	429a
Recross .....	433a

**Irvin Hecht**

Direct .....	435a
--------------	------

	PAGE
<b>Clifford Lageoles</b>	
Direct .....	438a
Cross .....	446a
Redirect .....	455a
<b>Florence Levy</b>	
Direct .....	458a
<b>Al Gold</b>	
Direct .....	459a
Cross .....	469a
<b>Ben Thylan</b>	
Direct .....	487a
Cross .....	490a
<b>Charles Hoff</b>	
Direct .....	490a
Cross .....	528a
Redirect .....	580a
(Colloquy) .....	584a
Redirect .....	591a
Recross .....	597a
(Colloquy) .....	601a
<b>Irvin Hecht (for Government—Rebuttal)</b>	
Direct .....	603a
Cross .....	605a
<b>Henry E. Katcher (for Government—Rebuttal)</b>	
Direct .....	605a
Cross .....	609a



# United States District Court

SOUTHERN DISTRICT OF NEW YORK

---

UNITED STATES OF AMERICA

—VS.—

GEORGE STOFKY, CHARLES HOFF, AL GOLD,  
CLIFFORD LAGEOLES

*Defendants*

---

## Docket Entries

*Date*

*Proceedings*

- 6-21-73—Filed Indictment  
assigned to Judge Pierce as a related matter  
(73 CR 257)
- 6-28-73—All Defts. (attys. present) Plead not guilty. Released on their own recognizance. Pierce, J.
- 7-18-73—ALL DEFTS.—Filed affdvt & notice of motion to dismiss, bill of particulars, discovery etc.—Ret. date to be set.
- 7-18-73—ALL DEFTS.—Filed memorandum of law in support of the pre-trial motions on behalf of the Union Defts.
- \* \* \* \* \*
- 8- 2-73—ALL DEFTS.—Filed Gov't affdvt in response to the joint motions by defts. for bill of particulars and for discovery & inspection.
- 8- 2-73—ALL DEFTS.—Filed Gov't memorandum of law in opposition to motion for particulars.



*Docket Entries**Date**Proceedings*

8- 2-73—ALL DEFTS.—Filed Gov't memorandum in opposition to pre-trial motions to dismiss.

8- 8-73—ALL Defts.—Filed reply memorandum of law in support of the pre-trial motions on behalf of the union defts.

8-15-73—Filed transcript of proceedings dtd June 28, 1973.

12-21-73—Filed OPINION #40,142—The Gov't to provide the particulars & discovery granted herein no later than Jan. 4, 1974. The Gov't is requested to provide the Court with a copy of these disclosures, on Jan. 4, 1974. On the same date, the gov't should file its response to the issue raised by the Court herein at S.A., 2. The Trial of 73 Cr. 615 is presently scheduled to commence Feb. 11, 1974 at 9:30 A.M., with trial of 73 Cr. 614 to commence immediately thereafter. Indictment 73 Cr. 616, against the union shop manufacturers for violations of the Taft-Hartley law, will follow. The trial of the civil case against the union defts. 73 Civ. 1258, is adjourned sine die.—So Ordered—Pierce, J. Mailed notices.

1-28-74—Filed Govt's amended Bill of Particulars.

2-15-74—Filed Govt's Order, Application and Affidavit that Daniel Ginsburg is ordered to testify and produce evidence at the trial.—PIERCE, J.

2-15-74—Filed Govt's Order, Application and Affidavit that Daniel Groosman is ordered to testify and produce evidence at the trial—PIERCE, J.

2-21-74—Filed Govt's Order, Application and Affidavit that Harry Jaffee is ordered to testify and produce evidence at the trial—PIERCE, J.

*Docket Entries**Date**Proceedings*

- 2-26-74—Filed Govt's Order, Application and Affidavit that Henry Katcher is ordered to testify and produce evidence at the trial. Pierce, J.
- 2-11-74—Trial begun with a Jury as to all Deft's as charged.
- 2-13-74—Trial Cont'd.
- 2-14-74—Trial Cont'd.
- 2-15-74—Trial Cont'd.
- 2-19-74—Trial Cont'd.
- 2-20-74—Trial Cont'd.
- 2-21-74—Trial Cont'd.
- 2-22-74—Trial Cont'd.
- 2-25-74—Trial Cont'd.
- 2-26-74—Trial Cont'd.—Gov't moves to dismiss CTS 8, 13, 21, 22, & 31—GRANTED.
- 2-27-74—Trial Cont'd.—Jury begins deliberations.
- 2-28-74—Trial Cont'd.—Jury returns with a VERDICT of GUILTY as to Deft. STOFKY on Counts 1 thru 5, 23, 24, 25, & 26.  
 Jury finds Deft. HOFF, GUILTY on counts 1, 6, 7, 9, 10, 11, 12, 18, 19, 20 & 27.  
 Jury finds Deft. GOLD, GUILTY on each of CTS 1 thru 5, 6, 7, 9, 10, 11, 12, 14, 15, 16, 17, 23, 24, 32 & 33.  
 As to Deft. LAGEOLES, Jury finds him GUILTY on CTS 1, 6, 7, 9, 10, 11, and 12.  
 P.S.I. ordered. Sentence 4-17-74 @ 4:00 PM—ALL (4) Deft's cont'd R.O.R.—PIERCE, J.



*Docket Entries*

- | <i>Date</i> | <i>Proceedings</i>                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|-------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 3-29-74     | —Filed transcript of record of proceedings, dated February 11, 13, 14, & 15, 1974.                                                                                                                                                                                                                                                                                                                                                                                 |
| 3-29-74     | —Filed transcript of record of proceedings, dated February 25, 26, & 27, 1974.                                                                                                                                                                                                                                                                                                                                                                                     |
| 3-29-74     | —Filed transcript of record of proceedings, dated February 19, 20, 21, & 22, 1974.                                                                                                                                                                                                                                                                                                                                                                                 |
| 4-22-74     | —Filed Defts. Memorandum of Law for a New Trial on the Ground of Newly discovered evidence.                                                                                                                                                                                                                                                                                                                                                                        |
| 4-22-74     | —Filed Defts. Notice of Motion. Re: For a New Trial on the Newly discovered Evidence. ret. 4/29/74.                                                                                                                                                                                                                                                                                                                                                                |
| 4-22-74     | —Filed Defts. Notice of Motion. Re: for a Judgment of Acquittal. ret. 4/29/74.                                                                                                                                                                                                                                                                                                                                                                                     |
| 5-14-74     | —Filed Defts. Supplemental Memorandum of Law on their motion for a new trial pursuant to Fed. R. Crim. P. 33.                                                                                                                                                                                                                                                                                                                                                      |
| 5-29-74     | —Filed Affidavit by Elkan Abramowitz in further support of defts. pending motion for a new trial & in response to the affidavits of Asst. US Attys. on 5/23/74. CLIFFORD LAGEOLES—                                                                                                                                                                                                                                                                                 |
| 5-31-74     | —Filed JUDGMENT and ORDER OF PROBATION (# ) (atty present) It is Adjudged that the deft is hereby committed to the custody of the Atty Gen'l for imprisonment for a period of ONE (1) YEAR on each of cts. 1 & 6 to run consecutively to each other. ONE (1) YEAR on each of counts 7 & 9, said terms to run consecutively to each other, but concurrently with the terms imposed on cts. 1 & 6. ONE (1) YEAR on each of cts. 10 & 11 to run consecutively to each |

*Docket Entries*

<i>Date</i>	<i>Proceedings</i>
-------------	--------------------

5-31-74—other, but concurrently with the terms imposed on cts. 1 & 6. ONE (1) YEAR on ct. 12, said term to run concurrently with the terms imposed on cts. 1 & 6. Execution of prison sentence is hereby suspended and the deft. is placed on probation for a period of TWO (2) YEARS, subject to the standing probation order of this court. In addition, deft. shall pay a fine to the U.S. in the sum of FIVE-HUNDRED (\$500.) DOLLARS on ct. 1; and in the sum of TWO HUNDRED-FIFTY (\$250) DOLLARS on each of counts 6, 7, 9, 10, 11 and 12. Total fines of TWO-THOUSAND (\$2,000) DOLLARS to be paid or deft. is to stand committed until fine is paid or he is otherwise discharged by due course of law. Period of probation is to begin immediately. Fines are stayed pending appeal . . . . Pierce, J.

5-31-74—GEORGE STOFISKY—Filed JUDGMENT and COMMITMENT (# ) (atty present). It is Adjudged that the deft. is committed to the custody of the Atty Gen'l for a period THREE (3) YEARS on each of cts. 23, 24, 25 and 26 to run concurrently with each other. ONE (1) YEAR on each of counts 3, 4 & 5 to run consecutively to each other, but concurrently with the terms imposed on counts 23, 24, 25 & 26. ONE (1) YEAR on each of counts 1 and 2 to run consecutively to each other, but concurrently with the terms imposed on cts. 23, 24, 25 & 26. In addition, deft. shall pay a fine to the U.S. in the sum of TWO THOUSAND (\$2,000.) DOLLARS on each of cts. 2, 3, 4 & 5; and in the sum of TWO THOUSAND-FIVE HUNDRED (\$2,500) DOLLARS on each of cts. 23 & 24. Total fines of THIRTEEN THOU-

*Docket Entries**Date**Proceedings*

- 5-31-74—SAND (\$13,000) DOLLARS to be paid or deft. is to stand committed until fine is paid or he is otherwise discharged by due course of law. Deft. released on his own recognizance pending appeal. . . . Pierce, J. Issued commitment 6-7-74.
- 5-31-74—CHARLES HOFF—Filed JUDGMENT and COMMITMENT—( # ) (atty present). It is Adjudged that the deft. is hereby committed to the custody of the Atty Gen'l for imprisonment for a period of THREE (3) YEARS on ct. 27. ONE (1) YEAR on each of cts. 6, 7 and 9 to run consecutively to each other, but concurrently with the term imposed on ct. 27. ONE (1) YEAR on each of cts. 10, 11 and 12 to run consecutively to each other, but concurrently with the term imposed on ct. 27. ONE (1) YEAR on each of cts. 18, 19 & 20 to run consecutively to each other, but concurrently with the term imposed on count 27. ONE (1) YEAR on ct. 1 to run concurrently with term imposed on ct. 27. In addition, deft. shall pay a fine to U.S. in the sum of TWO THOUSAND (\$2,000) DOLLARS on ct. 27; and ONE THOUSAND DOLLARS on each of cts. 1, 6, 7, 9, 10, 11, 12, 18, 19 & 20. Total fines of TWELVE-THOUSAND (\$12,000) DOLLARS to be paid or deft. is to stand committed until fine paid or he is otherwise discharged by due course of law. Deft. released on his own recognizance pending appeal. . . . Pierce, J. Issued Commitment 6-7-74.
- 5-31-74—AL GOLD—Filed JUDGMENT and COMMITMENT—( # ) (atty present) It is Adjudged that deft. is hereby committed to the custody of the Atty Gen'l for imprisonment for a period of



*Docket Entries**Date*                      *Proceedings*

5-31-74—TWO (2) YEARS on each of cts. 23, 24, 32 and 33 to run concurrently with each other. ONE (1) YEAR on each of cts. 1 & 2 to run consecutively to each other, but concurrently with the terms imposed on cts. 23, 24, 32 and 33. ONE (1) YEAR on each of cts. 3 & 4 to run consecutively to each other but concurrently with the terms imposed on cts. 23, 24, 32 & 33. ONE (1) YEAR on each of cts. 5 & 6 to run consecutively to each other, but concurrently with the terms imposed on cts. 23, 24, 32 and 33. ONE (1) YEAR on each of counts 7 and 9 to run consecutively to each other, but concurrently with the terms imposed on cts. 23, 24, 32, and 33. ONE (1) YEAR on each of cts. 10 and 11 to run consecutively to each other but concurrently with the terms imposed on cts. 23, 24, 32 and 33. ONE (1) YEAR on each of cts. 12 & 14 to run consecutively to each other, but concurrently with terms imposed on cts. 23, 24, 32, and 33. ONE (1) YEAR on each of counts 15 & 16 to run consecutively to each other, but concurrently with the terms imposed on cts. 23, 24, 32 and 33. ONE (1) YEAR on ct. 17, said term to run concurrently with the terms imposed on cts. 23, 24, 32 and 33. In addition, deft. shall pay a fine to the U.S. in the sum of TWO-THOUSAND (\$2,000) DOLLARS on each of cts. 2, 3, 4, 5 and 23. Total fines of TEN THOUSAND (\$10,000) DOLLARS to be paid or deft. is to stand committed until fine is paid or he is otherwise discharged by due course of law. Deft. released on his own recognizance pending appeal. . . . Pierce, J. Issued Commitment 6-7-74.



*Docket Entries**Date**Proceedings*

- 6- 3-74—ALL DEFTS—Filed order—The sentences & fines set by this Court on 5-31-74, be & the same are stayed pending the hearing and determination of all appeals from the judgments of conviction entered on the 31st day of May, 1974, except that deft. Clifford Lageoles is directed to commence service of the probation ordered by this Court immediately . . . . Pierce, J. . . . Consented to.
- 6- 6-74—ALL DEFTS—Filed Evaluative summaries from presentence Reports of Defts. Sealed by order of PIERCE, J. Placed in Vault.
- 6- 6-74—ALL DEFTS—Filed additional Affdvts of John C. Sabetta on opposition to Motion for a New Trial. Sealed by order of PIERCE, J. Placed in Vault.
- 6- 5-74—Filed Govt's Memorandum in opposition to Defts motion for a New Trial.
- 6- 5-74—Filed Affdvt of John C. Sabetta in opposition to Deft's motion for a new trial.
- 6-10-74—CHARLES HOFF and CLIFFORD LAGEOLES—Filed notice of appeal from the final judgment of conviction and from the order denying a motion for a new trial. Mailed notices to Charles Hoff, 1824 Cynthia Lane, Merrick, N.Y. 11566, Clifford Lageoles, 340 West 28th Street, New York, N.Y., U.S. Attorney.
- 6-10-74—GEORGE STOFISKY and AL GOLD—Filed notice of appeal from the judgments of conviction and from the order denying a motion for a new trial. Mailed notices to George Stofsky, 111 Esterwood Avenue, Dobbs Ferry, New York, Al Gold, 2077 Center Avenue, Fort Lee, New Jersey 07024, U.S. Atty.

*Docket Entries**Date**Proceedings*

- 6-14-74—ALL DEFTS. Filed OPINION #40821. The motion for a new trial is hereby denied. The defts' accompanying motion for a judgment of acquittal pursuant to Fed. R. Crim. 29(e) is hereby denied. SO ORDERED . . . . PIERCE, J. (mailed notice)
- 6-26-74—Filed transcript of record of proceedings dtd:  
Feb. 6-74.
- 6-26-74—Filed transcript of record of proceedings dtd:  
May 31-74.
- 6-26-74—Filed Bill of Particulars.
- 6-26-74—Filed order of Judge Pierce granting the removal of sealed documents from the vault in U.S.D.C., S.D.N.Y. to the U.S.C.A.
- 6-27-74—Filed stipulation designating exhibits to be transmitted to the U.S.C.A.
- 6-27-74—Filed stipulation designating a true copy of original missing filed document to the U.S.C.A.

A TRUE COPY

RAYMOND F. BURGHARDT, Clerk

By (Illegible)  
Deputy Clerk

**Indictment**

**UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK  
73 Cr. 614**

---

UNITED STATES OF AMERICA,

—v.—

GEORGE STOFISKY, CHARLES HOFF, AL GOLD, and  
CLIFFORD LAGEOLES,

*Defendants.*

---

**COUNT ONE**

The Grand Jury charges:

1. From on or about January 1, 1967, up to and including September, 1971, in the Southern District of New York, George Stofsky, Charles Hoff, Al Gold and Clifford Lageoles, the defendants, unlawfully, wilfully and knowingly did combine, conspire, confederate and agree together and with each other, and with other persons whose names are to the Grand Jury unknown, to commit certain offenses against the United States, to wit, to violate Title 18, United States Code, Section 1962(c) and Title 29, United States Code, Section 186(b).

2. At all time relevant to this indictment the defendant George Stofsky was the chief executive officer and Manager and Charles Hoff was the assistant chief executive officer and Assistant Manager of the Furriers Joint Council, a union representing workers in the fur garment manufacturing industry, with principal offices at 250 West 26th Street, New York City. At all times relevant to this indictment the defendants Al Gold and Clifford Lageoles were in the employ of the Furriers Joint Council.

*Indictment*

3. It was a part of the conspiracy charged herein that the defendants, being officers and employees of a labor organization, to wit, the Furriers Joint Council, which represented the employees of employers (such employers being hereinafter referred to as union shop manufacturers of fur products) who were engaged in an industry affecting commerce, would request, demand and accept payments and deliveries of money from said employers.

4. It was further a part of said conspiracy that the defendants, being persons employed by and associated with an enterprise engaged in, and the activities of which affected interstate commerce, to wit, the Furriers Joint Council, would conduct, and participate directly and indirectly in, the conduct of such enterprises's affairs through a pattern of racketeering activity, to wit, racketeering acts as charged in Counts Two through Twenty-two of this indictment.

5. Among the means by which the defendants carried out said conspiracy were the following:

a. From time to time in the years 1967 through 1972, the defendants George Stofsky, Charles Hoff, Al Gold and Clifford Lageoles, all officers and employees of the Furriers Joint Council, requested, demanded and accepted payments of money from union shop manufacturers of fur products in return for permitting said manufacturers to sub-contract out fur manufacturing work to non-union fur shops, in violation of the terms of collective bargaining agreements between said union shop manufacturers and the Furriers Joint Council.

**OVERT ACTS**

In furtherance of said conspiracy and to effect the objects thereof, the following overt acts, among others,



*Indictment*

were committed by the defendants in the Southern District of New York:

1. In or about April 1970, the defendant Al Gold received Six Thousand Dollars (\$6,000) from Daniel Grossman.

2. In or about February 1970, the defendant Charles Hoff received Four Thousand Dollars (\$4,000) from Sol Silberzweig.

3. In or about September 1970, the defendant Al Gold received Six Thousand Dollars (\$6,000) from Daniel Grossman.

4. In or about October 1970, the defendant George Stofsky received Five Hundred Dollars (\$500) from Henry Katcher.

5. In or about the first quarter of 1970, the defendants Charles Hoff, Al Gold and Clifford Lageoles received a total of \$375 from Harry Hessel.

6. In or about February 1971, the defendants George Stofsky and Al Gold met with Daniel Grossman.

(Title 18, United States Code, Section 371.)

**COUNTS TWO THROUGH TWENTY-TWO**

The Grand Jury further charges:

On or about the dates hereinafter set forth, in the Southern District of New York, George Stofsky, Charles Hoff, Al Gold and Clifford Lageoles, the defendants, being then and there officers and employees of a labor organization, to wit, the Furriers Joint Council, which represented the employees of employers who were engaged in an industry affecting commerce, to wit, the fur products manufacturing industry, did unlawfully, wilfully and knowingly request, demand, receive and accept payments and deliveries of money from employers as hereinafter set forth:

## 13a

*Indictment*

<i>Count</i>	<i>Date</i>	<i>Union representative Receiving payment</i>	<i>Amount</i>	<i>Employer</i>
2	(In or about) April 1970	Al Gold and George Stofsky	\$6,000	Daniel Grossman
3	September, 1970	Al Gold and George Stofsky	\$6,000	Daniel Grossman
4	April, 1971	Al Gold and George Stofsky	\$6,000	Daniel Grossman
5	September, 1971	Al Gold and George Stofsky	\$6,000	Daniel Grossman
6	The first half of 1969	Charles Hoff Al Gold Clifford Lageoles	\$ 375	Sam Sherman
7	The second half of 1969	Charles Hoff Al Gold Clifford Lageoles	\$ 375	Sam Sherman
8	The first quarter of 1969	Charles Hoff Al Gold Clifford Lageoles	\$ 375	Sam Sherman
9	The first quarter of 1969	Charles Hoff Al Gold Clifford Lageoles	\$ 375	Harry Hessel
10	The second quarter of 1969	Charles Hoff Al Gold Clifford Lageoles	\$ 375	Harry Hessel
11	The third quarter of 1969	Charles Hoff Al Gold Clifford Lageoles	\$ 375	Harry Hessel
12	The fourth quarter of 1969	Charles Hoff Al Gold Clifford Lageoles	\$ 375	Harry Hessel
13	The first quarter of 1970	Charles Hoff Al Gold Clifford Lageoles	\$ 375	Harry Hessel

*Indictment*

<i>Count</i>	<i>Date</i>	<i>Union representative Receiving payment</i>	<i>Amount</i>	<i>Employer</i>
14	1969	Al Gold	\$ 150	Sol Cohen
15	1969	Al Gold	\$ 500	Daniel Ginsberg
16	December, 1968	Al Gold	\$ 350	Walter Steil
17	January, 1969	Al Gold	\$ 400	Walter Steil
18	The first third of 1969	Charles Hoff	\$ 150	Karl "Jack" Schwartzbaum
19	The second third of 1969	Charles Hoff	\$ 150	Karl "Jack" Schwartzbaum
20	The last third of 1969	Charles Hoff	\$ 150	Karl "Jack" Schwartzbaum
21	The first third of 1970	Charles Hoff	\$ 150	Karl "Jack" Schwartzbaum
22	February, 1970	Charles Hoff	\$4,000	Sol Silberzweig

(Title 29, United States Code, Section 186(b) and 2.)

## COUNT TWENTY-THREE

The Grand Jury further charges:

On or about the dates set forth in Counts 2 through 17 above, in the Southern District of New York, George Stofsky and Al Gold, the defendants, being persons employed by and associated with an enterprise engaged in, and the activities of which affected interstate commerce, to wit, an association, union and group of individuals known as the Furriers Joint Council, unlawfully, wilfully and knowingly did conduct and participate, directly and indirectly, in the conduct of such enterprise's affairs through a pattern of racketeering activity, to wit, acts constituting violations of Title 29, United States Code, Section 186

*Indictment*

which are set forth in Counts 2 through 17 and of this Indictment, and are incorporated by reference as if fully set forth herein.

(Title 18, United States Code, Sections 1962(c) and 1961(1)(B) and (C).)

**COUNT TWENTY-FOUR**

The Grand Jury further charges:

In or about April 1972, in the Southern District of New York, George Stofsky, and Al Gold, the defendants, unlawfully, wilfully, knowingly and corruptly endeavored to influence, obstruct and impede the due administration of justice, in that they requested of one Jack Glasser, who was then under subpoena before a federal grand jury sitting in the Southern District of New York, that he not testify before that grand jury which was then investigating alleged violations of Title 29, United States Code, Section 186b by the defendants and others, in return for which the defendants offered (1) to obtain and pay for a lawyer for Glasser in connection with said investigation and (2) to provide their support and approval for a fur industry pension for Glasser.

(Title 18, United States Code, Section 1503.)

**COUNT TWENTY-FIVE**

The Grand Jury further charges:

From on or about March, 1970 to on or about the 15th day of April, 1971, in the Southern District of New York and elsewhere, the defendant George Stofsky, who during the calendar year 1970 was married, did unlawfully, wilfully and knowingly attempt to evade and defeat



*Indictment*

a large part of the income tax due and owing by him and his wife to the United States of America for the calendar year 1970, by concealing and attempting to conceal from all proper officers of the United States of America their true and correct taxable income, and by preparing and causing to be prepared, by signing and causing to be signed, by mailing and causing to be mailed, and by filing and causing to be filed a false and fraudulent joint income tax return on behalf of himself and his said wife which was filed with the Internal Revenue Service, North Atlantic Service Center at Andover, Massachusetts, wherein it was stated that their taxable income for said calendar year was the sum of \$11,579.55 and that the amount of tax due and owing thereon was the sum of \$2,221.67, whereas, as he then and there well knew, their taxable income for the said calendar year was the sum of \$18,079.55 upon which said taxable income they owed to the United States of America an income tax of \$3,938.33.

(Title 26, United States Code, Section 7201.)

**COUNT TWENTY-SIX**

The Grand Jury further charges:

From on or about March, 1971 to on or about the 15th day of April, 1972, in the Southern District of New York and elsewhere, the defendant George Stofsky, who during the calendar year 1971 was married, did unlawfully, wilfully and knowingly attempt to evade and defeat a large part of the income tax due and owing by him and his wife to the United States of America for the calendar year 1971, by concealing and attempting to conceal from all proper officers of the United States of America their true and correct taxable income, and by preparing and causing to be prepared, by signing and causing to be signed, by mailing and causing to be mailed, and by filing

*Indictment*

and causing to be filed a false and fraudulent joint income tax on behalf of himself and his said wife which was filed with the Internal Revenue Service, North Atlantic Service Center at Andover, Massachusetts, wherein it was stated that their taxable income for said calendar year was the sum of \$10,451.84 and that the amount of tax due and owing thereon was the sum of \$1,919.40, whereas, as he then and there well knew, their taxable income for the said calendar year was the sum of \$16,451.84, upon which said taxable income they owed the United States of America an income tax of \$3,386.52.

(Title 26, United States Code, Section 7201.)

**COUNT TWENTY-SEVEN**

The Grand Jury further charges:

From on or about January, 1969 to on or about the 15th day of April, 1970, in the Southern District of New York and elsewhere, the defendant Charles Hoff, who during the calendar year 1969 was married, did unlawfully, wilfully and knowingly attempt to evade and defeat a large part of the income tax due and owing by him and his wife to the United States of America for the calendar year 1969, by concealing and attempting to conceal from all proper officers of the United States of America their true and correct taxable income, and by preparing and causing to be prepared, by signing and causing to be signed, by mailing and causing to be mailed, and by filing and causing to be filed a false and fraudulent joint income tax return on behalf of himself and his said wife which was filed with the Internal Revenue Service, North Atlantic Service Center at Andover, Massachusetts, wherein it was stated that their taxable income for said calendar year was the sum of \$17,800.41 and that the amount of tax due and owing thereon was the sum of \$4,140.52, whereas,

*Indictment*

as he then and there well knew, their taxable income for the said calendar year was the sum of \$19,250.41, upon which said taxable income they owed to the United States of America an income tax of \$4,587.12.

(Title 26, United States Code, Section 7201.)

**COUNT THIRTY-ONE**

The Grand Jury further charges:

From on or about January, 1970 to on or about the 15th day of April, 1971, in the Southern District of New York, and elsewhere, the defendant Charles Hoff, who during the calendar year 1970 was married, did unlawfully, wilfully and knowingly attempt to evade and defeat a large part of the income tax due and owing by him and his wife to the United States of America for the calendar year 1970, by concealing and attempting to conceal from all proper officers of the United States of America their true and correct taxable income, and by preparing and causing to be prepared, by signing and causing to be signed, by mailing and causing to be mailed, and by filing and causing to be filed a false and fraudulent joint income tax return on behalf of himself and his said wife which was filed with the Internal Revenue Service Center at Andover, Massachusetts, wherein it was stated that their taxable income for said calendar year was the sum of \$15,009.13 and that the amount of tax due and owing thereon was the sum of \$3,087.59, whereas, as he then and there well knew, their taxable income for the said calendar year was the sum of \$19,784.13, upon which said taxable income they owed to the United States of America an income tax of \$4,427.55.

(Title 26, United States Code, Section 7201.)



*Indictment*

## COUNT THIRTY-TWO

The Grand Jury further charges:

From on or about January, 1970 to on or about the 15th day of April, 1971, in the Southern District of New York, and elsewhere, the defendant Al Gold, who during the calendar year 1970 was married, did unlawfully, wilfully and knowingly attempt to evade and defeat a large part of the income tax due and owing by him and his wife to the United States of America for the calendar year 1970, by concealing and attempting to conceal from all proper officers of the United States of America their true and correct taxable income, and by preparing and causing to be prepared, by signing and causing to be signed, by mailing and causing to be mailed, and by filing and causing to be filed a false and fraudulent joint income tax return on behalf of himself and his said wife which was filed with the Internal Revenue Service, North Atlantic Service Center at Andover, Massachusetts, wherein, it was stated that their taxable income for said calendar year was the sum of \$5,479.40 and that the amount of tax due and owing thereon was the sum of \$924.08, whereas, as he then and there well knew, their taxable income for the said calendar year was the sum of \$11,854.40, upon which said taxable income they owed the United States of America an income tax of \$2,283.67.

(Title 26, United States Code, Section 7201.)

## COUNT THIRTY-THREE

The Grand Jury further charges:

From on or about January, 1971 to on or about the 15th day of April, 1972, in the Southern District of New York and elsewhere, the defendant Al Gold, who during

*Indictment*

the calendar year 1971 was married, did unlawfully, wilfully and knowingly attempt to evade and defeat a large part of the income tax due and owing by him and his wife to the United States of America for the calendar year 1971, by concealing and attempting to conceal from all proper officers of the United States of America their true and correct taxable income, and by preparing and causing to be prepared, by signing and causing to be signed, by mailing and causing to be mailed, and by filing and causing to be filed a false and fraudulent joint income tax return on behalf of himself and his said wife which was filed with the Internal Revenue Service, North Atlantic Service Center at Andover, Massachusetts, wherein it was stated that their taxable income for said calendar year was the sum of \$6,220.52 and that the amount of tax due and owing thereon was the sum of \$1,041.90, whereas, as he then and there well knew, their taxable income for the said calendar year was the sum of \$12,220.52, upon which said taxable income they owed to the United States of America an income tax of \$2,315.13.

(Title 26, United States Code, Section 7201.)

.....  
Foreman

.....  
PAUL J. CURRAN

United States Attorney

**Opinion of Lawrence W. Pierce, D.J.,  
Dated December 21, 1973**

UNITED STATES DISTRICT COURT

SOUTHERN DISTRICT OF NEW YORK

73 Cr. 614

---

UNITED STATES OF AMERICA

—v.—

GEORGE STOFKY, CHARLES HOFF, et al.,  
*Defendants.*

---

73 Cr. 615

---

UNITED STATES OF AMERICA

—v.—

GEORGE STOFKY, AL GOLD, et al.,  
*Defendants.*

---

**APPEARANCES:**

WEISS, ROSENTHAL, HELLER & SCHWARTZMAN

295 Madison Avenue

New York, New York 10017

By: ELKAN ABRAMOWITZ, Esq.

and

PAUL K. ROONEY, Esq.

521 Fifth Avenue

New York, New York 10017

Attorneys for Union Defendants

*Opinion of Lawrence W. Pierce, D.J.,  
Dated December 21, 1973*

PAUL J. CURRAN, ESQ.

United States Attorney  
United States Courthouse  
Foley Square

New York, New York 10007

By: MAURICE M. Mc DERMOTT

Assistant U.S. Attorney

Attorney for United States of America

LAWRENCE W. PIERCE, D.J.

MEMORANDUM AND ORDER

Seven officials and employees of the Furriers Joint Council, a union representing workers in New York's fur garment manufacturing industry, have been variously charged in two separate indictments with, among other things, violations of the provisions of the Organized Crime Control Act of 1970, directed at racketeer influenced and corrupt organizations, 18 U.S.C. § 1961 et seq.

Defendants have joined<sup>1</sup> in an omnibus pre-trial motion seeking dismissal of various counts of each indictment, and for particulars and discovery, and for a government investigation with respect to possible wire-tapping and government-sponsored burglary. This memorandum and order will deal with most of defendants' motions.

The structure of each indictment is essentially the same, although a somewhat different set of defendants is named in each.<sup>2</sup> The foundation for each indictment is the section of the Organized Crime Control Act which provides that:

"It shall be unlawful for any person employed by or associated with any enterprise engaged in, or the activities of which affect, interstate or foreign commerce, to conduct or participate, directly or indirect-



*Opinion of Lawrence W. Pierce, D.J.,  
Dated December 21, 1973*

ly, in the conduct of such enterprises' affairs through a pattern of racketeering activity or collection of unlawful debt." 18 U.S.C. § 1962(c).

"Racketeering activity" is defined in 18 U.S.C. 1961(1) (A)-(D) as:

"(A) any act or threat involving murder, kidnapping, gambling, arson, robbery, bribery, extortion, or dealing in narcotic or other dangerous drugs, which is chargeable under State law and punishable by imprisonment for more than one year;

(B) any act which is indictable under any of the following provisions of title 18, United States Code: . . . section 1951 (relating to interference with commerce, robbery, or extortion) . . . ,

(C) any act which is indictable under title 29, United States Code, section 136 (dealing with restrictions of payments and loans to labor organizations), or . . .

(D) . . . "

"Pattern of racketeering activity" is defined in 18 U.S.C. 1961(5). It requires

"at least two acts of racketeering activity, one of which occurred after the effective date of this chapter [October 15, 1970] and the last of which occurred within ten years (excluding any period of imprisonment) after the commission of a prior act of racketeering activity; . . . "

Each indictment, in a series of substantive counts, charges independent federal crimes. These substantive crimes, which are also "racketeering activities" as defined



*Opinion of Lawrence W. Pierce, D.J.,  
Dated December 21, 1973*

in § 1961(1) (B) or (C), are then incorporated as predicate offenses in yet another substantive count in each indictment charging that certain of the defendants named therein conducted or participated in the affairs of the union through a pattern of racketeering activity, as proscribed in § 1962 (c) (hereinafter "the racketeering offense").

Indictment 73 Cr. 614 names defendants Stofsky, Hoff, Gold and Lageoles and is premised, in the main, upon alleged substantive violations of the Taft-Hartley Law, 29 U.S.C. § 136(b), which prohibits acceptance of certain payments by union officers and agents from employers. In 21 counts (2-22) it charges that on 21 different occasions between January 1967 and September 1971, certain of these defendants unlawfully accepted payments from certain union-shop manufacturers in return for permitting these manufacturers to sub-contract for manufacturing work out to non-union shops in contravention of the collective bargaining agreement between the union-shops and the union. Count 23 of the indictment incorporates as predicate offenses 15 of the alleged independent violations of the Taft-Hartley Act and charges a racketeering offense in violation of 18 U.S.C. § 1962(c) against defendants Stofsky and Gold. Count 1 charges all four of the defendants with conspiracy to violate both the Taft-Hartley law and the racketeering statute. In addition, the indictment includes, in Count 24, a charge of obstruction of justice, 18 U.S.C. § 1503, against defendants Stofsky and Gold. And finally, the indictment includes six counts of income tax evasion, 26 U.S.C. § 7201, two against defendant Stofsky, two against defendant Hoff and two against defendant Gold.

Indictment 73 Cr. 615 names defendants Stofsky, Gold, Apostolides, Lageoles, Logios and Ziebal and is based, in the main, upon alleged violations of the Hobbs Act, 18 U.S.C. § 1951, which prohibits extortion in interference with

*Opinion of Lawrence W. Pierce, D.J.,  
Dated December 21, 1973*

interstate commerce. In 12 counts (3-15) it charges that on 12 different occasions in January of 1972, certain of the defendants threatened certain non-union shop fur manufacturers with injury to persons and property if these manufacturers did not cease soliciting sub-contracts from the union-shop manufacturers. Count 2 of the indictment incorporates as predicates the 12 independent acts alleged in Counts 3-15, and charges a racketeering offense against each of the defendants named in the indictment. Count 1 charges all six defendants with a conspiracy to violate both the Hobbs Act and the racketeering statute.

**A. MOTIONS TO DISMISS**

Pursuant to Fed.R.Crim.P. 12, defendants have moved to dismiss various counts of each indictment on a variety of grounds.

**1. *Constitutionality of 18 U.S.C. § 1962(c).***

Defendants assert that while the definitional section of the Organized Crime Control Act of 1970, 18 U.S.C. § 1961, adequately defines "person," "enterprise," "racketeering activity," and "pattern of racketeering activity," it never defines the phrase, "conduct or participate . . . in the conduct of such enterprise's affairs through a pattern of racketeering activity . . ." as used in § 1962(c). It is contended that § 1962(c) thus fails to set forth the degree and intensity of the relationship required between the racketeering activity and the usual operation of the enterprise, and that without such definition the prospective defendant cannot predict with any certainty the conduct sought to be made unlawful. The constitutional requirement of definiteness in criminal statutes, they urge, would require the statute to state whether or not the alleged racketeering activity "must be

*Opinion of Laurence W. Pierce, D.J.,  
Dated December 21, 1973*

in furtherance of the enterprise; or if it need be merely not harmful to the enterprise, or even contrary to the goals of the enterprise" . . . or whether it "must be a vital and constant part of the operation of the enterprise or if it need be only random and barely related to the usual operation of the enterprise."

In this Court's view, the statute is clear enough. The elements of the predicate offenses are well-defined and established. It would be futile for a person to argue that he had no warning or knowledge that his commission of such acts would violate the law. Thus, the only serious question is whether § 1962(c) gives him adequate warning that the commission of more than one such criminal act under certain circumstances constitutes an additional, separate crime for which there is a separate penalty. With respect to this aspect, the statutory scheme of § 1962(c) is not unlike that of 21 U.S.C. § 848 which proscribes "a continuing criminal enterprise" in drug trafficking. That statute also creates a separate offense based on the commission of predicate crimes under certain defined circumstances. Neither statute contains a requirement of scienter independent or in addition to that necessary to prove the predicate crimes. It was characterized as a business regulatory statute and upheld against a vagueness attack in *United States v. Manfredi*, Slip Op., #72-2278-82, 2d Cir. Nov. 23, 1973, with the Court of Appeals relying in part on *Papachristou v. City of Jacksonville*, 405 U.S. 156, 162 (1972), where the Court said, "[i]n the field of regulatory statutes governing business activities, where the acts limited are in a narrow category, greater leeway is allowed." If this language is applicable to 21 U.S.C. § 848, where the purpose of Congress is to eradicate totally illicit enterprises, it would seem all the more applicable to 18 U.S.C. § 1962 where the congressional purpose is to eradicate



*Opinion of Lawrence W. Pierce, D.J.,  
Dated December 21, 1973*

criminal means of acquiring, maintaining and conducting any enterprise affecting commerce.

Given the leeway of a regulatory statute (and even without such leeway), § 1962(c) sufficiently places men of reasonable intelligence on notice that persons employed by the type of enterprise therein defined cannot resort to a pattern of specified criminal acts in the conduct of the affairs of that enterprise. Set forth, then, on the face of the statute is a necessary connection between the person who would commit the enumerated predicate acts and the enterprise, and between the acts and that person's participation in the operations of the enterprise.

It is true that the statute does not define this connection by distinguishing between predicate acts which play a major or a minor role, or any role at all, in what might be seen as the usual operations of the enterprise; nor does it require that such acts be in furtherance of the enterprise, as defendants suggest it must.

In this Court's view, the statute fails to state these requirements because Congress did not intend to require them in these terms. The perversion of legitimate business may take many forms. The goals of the enterprise may themselves be perverted. Or the legitimate goals may be continued as a front for unrelated criminal activity. Or the criminal activity may be pursued by some persons in direct conflict with the legitimate goals, pursued by others. Or the criminal activity may, indeed, be utilized to further otherwise legitimate goals. No good reason suggests itself as to why Congress should want to cover some, but not all of these forms; nor is there any good reason why this Court should construe the statute to do so. It plainly says that it places criminal responsibility on both those who conduct and those who participate, directly or indirectly, in the conduct of the affairs of the enterprise, without regard to



*Opinion of Lawrence W. Pierce, D.J.,  
Dated December 21, 1973*

what the enterprise was or was not about at the time in question. This may be broad, but it is not vague.

The government has suggested that the relationships set forth in the statute are best characterized as requiring:

- a. that the defendant committed two or more of the underlying criminal offenses;
- b. that those offenses were committed in the course of his employment by the enterprise in question;
- c. that those offenses were connected with each other by some common scheme, plan or motive so as to constitute a pattern and not simply a series of disconnected acts.

To the extent that the government's emphasis is on objective factors of employment status and commission of the predicate acts, this Court accepts the first two suggested elements as accurately stating the relationships set forth on the face of the statute. The third suggested element is to be found nowhere in the statute itself, either in § 1961(5) where "pattern . . ." is cast in quantitative terms only, or in § 1962 where it is used as an element of the crime charged.

The Court, however, agrees with the proposition, implicit in the government's suggestion, that the word "pattern" should be construed as requiring more than accidental or unrelated instances of proscribed behavior. This word, although it is relatively new to the legislative criminal lexicon, has received such interpretation under the civil rights acts. See, e.g., *United States v. Gilman*, 341 F. Supp. 891, 906 (S.D.N.Y. 1972). Further support for this interpretation is found in a simultaneously enacted section of the Organized Crime Control Act of 1970, 18 U.S.C. § 3575 where a "pattern of criminal conduct" is a predicate for

*Opinion of Lawrence W. Pierce, D.J.,  
Dated December 21, 1973*

special offender status for the purposes of sentencing. This term is defined in § 3575(e) as follows:

“ . . . criminal conduct forms a pattern if it embraces criminal acts that have the same or similar purposes, results, participants, victims, or methods of commission, or otherwise are interrelated by distinguishing characteristics and are not isolated events.”

Statutes enacted together within the Organized Crime Control Act of 1970 have been construed *in pari materia*. See *United States v. Becker*, 461 F.2d 230 (2d Cir. 1972). While § 3575 concerns a pattern discerned for post-conviction purposes and thus involving considerations somewhat different from those involved in § 1961 et seq., the policies which have led Congress to create a separate crime for a pattern of criminal activity are not very different from those which have led it to create increased penalties for a pattern of conduct which is criminal. Without opining whether § 3575(e) is sufficient for its purposes, it would seem that it may be used to cast light on the word “pattern” as used in § 1961. Also, it should be noted that in spite of the quantitative nature of the § 1961 definition of “pattern,” the major concern of Congress, when it enacted § 1961 et seq. was the special danger to legitimate business of a continuity of racketeering activity. See S. Rep. No. 91-617, 91st Cong., 1st Sess. 73 (1969).

The Court's final consideration in this matter is the fact that under § 1961 et seq., it is possible for an employee of an enterprise to be put in jeopardy of a twenty year prison term, a \$25,000 fine and substantial forfeitures for the commission of two misdemeanors within a period of ten years. Of course it is not necessary or even desirable to consider the extreme hypothetical case in making the determinations here, but the possibility stated above is not far from the

*Opinion of Lawrence W. Pierce, D.J.,  
Dated December 21, 1973*

reality of Indictment 73 Cr. 614 presently before the Court. The racketeering count in this indictment is premised on a series of misdemeanors, violations of the Taft-Hartley law, 18 U.S.C. § 186(d). The time span between acts could be about a year and a half. Without a limiting construction, conviction on any two of the misdemeanors, plus proof of employment and that the acts were committed in the course of employment could lead to conviction on the racketeering offense. Yet, the entire statutory scheme indicates that if these acts were isolated and unrelated they do not add up to the kind of activity Congress meant to describe when it used the word "pattern." This Court therefore construes the word "pattern" as including a requirement that the racketeering acts must have been connected with each other by some common scheme, plan or motive so as to constitute a pattern and not simply a series of disconnected acts.

With these interpretations, coupled with this Court's concurrence with *United States v. Parness*, — F. Supp. — (S.D.N.Y. 1973), 73 Cr. 157, May 17, 1973, which held that § 1962 requires proof beyond a reasonable doubt for each element of each predicate offense, this Court holds that the statute provides "sufficiently definite warning as to the proscribed conduct when measured by common understanding and practices." *United States v. Petrillo*, 332 U.S. 1, 8 (1947).

Therefore, defendants' motions to dismiss Count 2 and portions of Count 1 of Indictment 73 Cr. 615, and Count 23 and portions of Count 1 of Indictment 73 Cr. 614 for vagueness are hereby denied.

2. *The sufficiency of Indictment 73 Cr. 615.*

Defendants have attacked Indictment 73 Cr. 615 in its entirety. Their main argument is that any portion of it based upon the Hobbs Act, 18 U.S.C. § 1951, does not state



*Opinion of Lawrence W. Pierce, D.J.,  
Dated December 21, 1973*

an offense under *United States v. Enmons*, 410 U.S. 396 (1973) where the Court held that this federal extortion statute does not reach the threat or use of violence to achieve legitimate labor union objectives.

The Hobbs Act defines "extortion" as "the obtaining of property from another, with his consent, induced by *wrongful* use of actual or threatened force, violence, or fear . . . ." 18 U.S.C. § 1951(b)(2) (emphasis added). In *Enmons*, the Court affirmed a district court dismissal of an indictment which charged labor union officials and members with wrongful use of actual force to obtain property from a struck employer, in the form of higher wages and other employment benefits. The district court had held that the indictment failed to state an offense because "[t]he union had a right to disrupt the business of the employer by lawfully striking for higher wages . . . ." *United States v. Enmons*, 335 F. Supp. 641, 646 (E.D. La. 1971). The Supreme Court repeated those words and reasoned that there had been no *wrongful* use of force. "Wrongful," the Court said, "has meaning in the Act only if it limits the statute's coverage to those instances where the obtaining of the property would itself be 'wrongful' because the alleged extortionist has no lawful claim to that property." 410 U.S. at 400. As examples of the types of alleged objectives which would not be legitimate, the Court cited violence by union officials against an employer in order to obtain personal payoffs and union violence to exact "wage" payments from employers in return for "imposed, unwanted, superfluous and fictitious services". *Id.* The key, the Court seems to indicate, is whether the property has been misappropriated. *Id.*

Here, the allegations as to the objectives of the defendants' alleged threats are scattered throughout Indictment 73 Crim. 615, but in sum, the government contends that



*Opinion of Lawrence W. Pierce, D.J.,*  
*Dated December 21, 1973*

the defendants, officers or employees of the Furriers Joint Council, used wrongful force to temporarily force the closing down of non-union fur shops to whom union shop manufacturers were sub-contracting out fur manufacturing work. The property obtained, the indictment alleges, was in the form of the non-union shop's right to solicit business for and to operate their shops.

The defendants assert that given these allegations, the indictment alleges no wrongful threats within the meaning of the Hobbs Act as interpreted in *Enmons*. They say that such threats, if they occurred at all, were directed at closing down the non-union shops because they were accepting sub-contract work from union-shops in violation of the terms of the collective bargaining agreements between the union and the union shops.<sup>3</sup> This they claim is a legitimate union objective.

The government counters with the assertion that *Enmons* does not extend to acts or threats against companies or manufacturers who are not parties to the collective bargaining agreement in question. In fact, the government asserts, such pressure against presumably neutral third parties in a labor dispute is an unfair labor practice prohibited by the provisions of 29 U.S.C. § 158, and as such cannot be said to be in pursuit of a legitimate labor goal.

As valid as this point might be with respect to any other industry, it is difficult to fathom why the government has asserted it here without further explanation, inasmuch as the garment industry is specifically exempted from the secondary boycott provisions of the Landrum-Griffith Act, 29 U.S.C. § 158(e). See *National Woodwork Manufacturers v. NLRB*, 336 U.S. 612, 637-38 (1967). Further, the language in *National Woodwork* would seem to support the affirmative proposition that the garment industry

*Opinion of Lawrence W. Pierce, D.J.,  
Dated December 21, 1973*

proviso "was designed to allow secondary pressures to counteract the effects of sweatshop conditions in an industry with a highly integrated process of production . . ." Id. at 638 (emphasis added). See also, *Greenstein v. National Shirt & Sportswear Ass'n, Inc.*, 178 F. Supp. 681, 688 (S.D.N.Y. 1959).

Given the Congressional imprimatur on the use of secondary boycott pressures in the garment industry, it may very well be that an allegation of union activity with the purpose of closing down non-union shops, without more, will not support the indictment in this case. On the other hand, it must be recognized that *Enmons* deals specifically with employer-employee disputes and clearly distinguishes those cases where the dispute is between a union and a third-party where the object of the union's violence is to obtain protection money or to force the non-union manufacturer to hire unwanted, superfluous workers; or where the object of the extortion is personal gain on the part of the union official or employee. Doubtless, *Enmons* would not protect the defendants here if these were the underlying goals of the threats. But, the government has not alleged any of these illegitimate goals in the indictment.

Of course, it is possible that the government's proof at trial would demonstrate that the defendants were in no sense pursuing legitimate union objectives, or were pursuing legitimate goals which *Enmons* would not protect. But, given the present language of the indictment, which like the indictment in *Enmons* does not suggest that the objective alleged is illegal, and it appearing that there is a possibility that the union had a lawful claim to the "property" it is said to have obtained, this Court is more than hesitant to invest the estimated five weeks trial time only to find at the close of all the evidence that

*Opinion of Lawrence W. Pierce, D.J.,  
Dated December 21, 1973*

the acts charged do not constitute federal crimes as a matter of law.<sup>4</sup>

Under the circumstances, this Court intends to take the unusual step of going beyond the face of the indictment at this pre-trial stage and requiring the government to file an additional submission on critical factual issues as well as legal issues.

In this Court's view, the focus of the inquiry with respect to the issues presented, is not whether the non-union shops had a general right under the Fifth Amendment to stay in business, but whether the union had a "right to disrupt their businesses." If the government contends that by no legitimate means could the union assert a lawful claim to the "property" which the defendants are charged with obtaining from the non-union manufacturers, then it is to be assumed that its position is that the indictment is sufficient as it is. However, if the government allows that the union could by some means, have asserted a right to this "property" then it may be required to make a showing as to the nature of the circumstances which renders illegitimate the particular effort charged in this indictment. Therefore, the government is requested to address itself to the following:

1. Does the government contend that there was not a valid collective bargaining agreement between the union-shops and the union during all relevant times charged in this indictment, which contained a clause prohibiting sub-contracting to non-union shops as set forth on page 9 of defendants' memorandum of law?

2. Does the government contend that the non-union shops were not soliciting and/or accepting sub-contracts in spite of the terms of this contract?

*Opinion of Lawrence W. Pierce, D.J.,  
Dated December 21, 1973*

3. Assuming that the government agrees that there was a contract as set forth and that the non-union shops were soliciting or accepting sub-contracts in spite of it, on what legal basis does the government assert that the defendants, as representatives of the union, had no right to pressure the non-union shops to cease soliciting or accepting sub-contracts.

4. Or on what other factual basis does the government assert that the objectives of the defendants were not legitimate labor goals? For instance, does the government contend that the objective of the defendants was personal benefit as opposed to benefit for the union? Or, for instance, does the government contend that the pressure was to force the non-union manufacturers to take on unwanted, superfluous workers, or to pay protection?

After the government addresses itself to these issues, in any manner which it deems appropriate, the Court, in an effort to resolve this legal issue prior to trial, may order a hearing and argument, if necessary. Decision on this portion of defendants' motions is, meanwhile, reserved.

3. *Multiplicitousness as between the substantive racketeering count and the independently charged Taft-Hartley counts in Indictment 73 Cr. 614.*

Defendants assert that the elements of Count 23 of Indictment 73 Cr. 614 which charges the racketeering offense predicated upon violations of the Taft-Hartley law, are the same as the elements of the individual violations of the Taft-Hartley law set forth in Counts 2-17 of the same indictment, and that therefore Count 23 should be dismissed as multiplicitous. The assertion is premised on the fact that in both instances the essential elements



*Opinion of Lawrence W. Pierce, D.J.,  
Dated December 21, 1973*

include proof of employment status with the union and that the violations were committed in the course of that employment.

The government responds that "offenses are the 'same' only when the 'evidence required to support a conviction upon one of them would have been sufficient to warrant a conviction upon the other.'" *United States v. Kramer*, 289 F.2d 909, 913 (2d Cir. 1961). Applying this test, the government contends that the racketeering offense requires as an additional and distinct element of proof that the predicate acts have "a factual nexus so as to constitute a pattern of racketeering activity *which was instrumental in the conduct of union affairs.*" (emphasis added).

This Court accepts the first portion of the government's assertion as stating the distinguishing element between the individually charged violations and the racketeering offense incorporating them, and for this reason holds that the indictment is not multiplicitous on its face. However, it must be noted that although the government may very well be prepared to prove the nexus as set forth in the emphasized portion, it does not state an essential element of the racketeering offense as decided in § A, 1, *supra* of this memorandum. In the government's own words as set forth therein, the additional element in the racketeering count is that the predicate offenses must be "connected with each other by some common scheme, plan or motive so as to constitute a pattern and not simply a series of disconnected acts." This could well include, but need not necessarily include, proof that the pattern was instrumental in union affairs.

Most of the other issues raised here are not ripe. To the extent that the question of double jeopardy is concerned with successive prosecutions for the same offense, it may never ripen.

*Opinion of Laurence W. Pierce, D.J.,*  
*Dated December 21, 1973*

Further, the issue of multiple punishment for the same criminal acts will not ripen unless and until guilty verdicts are returned on the alleged over-lapping counts, or unless and until it becomes obvious at trial that the evidence with respect to the contested counts is, in fact, the same. In that event, this Court will be required to examine more intensely the congressional intent underlying § 1962 (c), and strike certain counts, or require the government to elect, or use other remedies available. See *United States v. Ploof*, 464 F.2d 116, 120-21 (2d Cir. 1972). Clearly the allegation does not call for a dismissal in any event. *United States v. DeStafano*, 429 F.2d 344 (2d Cir. 1970).

Thus, the only ripe issue raised by these portions of defendants' motions at this pre-trial stage is the alleged multiplicitousness of this indictment as it may affect the fairness of the trial.

The policies underlying this consideration are concerned with whether multiplicitousness will confuse and lengthen the trial, or prejudicially suggest to the jury that the defendants have committed a larger number of crimes. *United States v. Ketchum*, 320 F.2d 3 (2d Cir.), *cert. denied*, 375 U.S. 905 (1963).

Even if it appeared that the counts here were multiplicitous, the policies would not have much impact with respect to this particular indictment. It would serve little purpose if the government, required to elect, chose to drop Counts 2-17. It would still have to prove at least two of those offenses against each defendant named in the surviving racketeering count, and nothing would prevent it from attempting to prove all 15. Since full proof is required for each of the predicate offenses under the racketeering statute (see *United States v. Parness, supra*) no trial time would be saved and the jury would be exposed

*Opinion of Lawrence W. Pierce, D.J.,  
Dated December 21, 1973*

to no less evidence of criminality. Indeed, it could further confuse the jury already faced with a complex indictment.

On the other hand, assuming the government elected to drop Count 23 and to proceed on the 15 substantive Taft-Hartley counts this Court fails to see how much trial time would be saved. Also, the jury would be faced with only one less count, which does not represent a substantial lessening of any prejudice which might be inherent in a 30-count indictment.

The defendants' motions with respect to multiplicity and the potential for multiple punishment are therefore denied at this time.

4. *Multiplicitousness as between the racketeering count of Indictment 73 Cr. 614 and the racketeering count of Indictment 73 Cr. 615.*

Defendants contend that the racketeering counts which are contained in each indictment are incapable of proof as separate crimes, in spite of the fact that the Hobbs Act serves as the underlying predicate for 73 Cr. 615, and the Taft-Hartley law serves as the underlying predicate for 73 Cr. 614 and different periods of time are charged for the two different counts. They assert that the essential gravamen of the racketeering offense is "conducting the affairs of the enterprise," not the different acts constituting the pattern of racketeering activity. Thus, it is urged, it is impossible as a matter of law for a person to be charged with more than one § 1962(c) crime while conducting or participating in the conduct of the affairs of any one enterprise.

They properly recognize that the issue raised is the equivalent of an unmatured double jeopardy problem, since

*Opinion of Lawrence W. Pierce, D.J.,  
Dated December 21, 1973*

these indictments—if they both stand—will be tried one after another. They also recognize that the issue will turn, first, on an interpretation of congressional intent with respect to § 1962(c). This Court may never need to reach these complex questions should its reservations with respect to 73 Cr. 615, § A, 2 *supra*, result in dismissal of that indictment in part or in total. Decision is therefore reserved on this motion.

5. *Obstruction of Justice, 73 Cr. 614*

Defendants Stofsky and Gold are charged in Count 24 of Indictment 73 Cr. 614 with endeavoring to influence a grand jury witness not to testify. They assert that the count fails to charge an offense in that it does not state affirmatively that the witness had no right to refuse to testify, the implication being that if a witness could validly take the Fifth Amendment there could be no offense. Defendants further assert that the things allegedly promised to the prospective witness were items to which he had a legal right and which they had a legal right to offer to him, and therefore no crime is alleged.

These arguments overlook the fundamental element charged, to wit, that the defendants corruptly endeavored to influence the witness. It remains for a trial jury to hear the evidence and to decide whether it is sufficient to support the corrupt motive charged. The allegations in the indictment are sufficient to withstand this motion to dismiss. Cf. *Cole v. United States*, 329 F.2d 437 (9th Cir.), *cert. denied*, 377 U.S. 954 (1964). The motion is denied.

6. *IRS failure to follow own regulations with respect to pre-indictment conferences*

The defendants who are charged in each of the tax evasion counts included in Indictment 73 Cr. 614 (Stofsky:



*Opinion of Lawrence W. Pierce, D.J.,  
Dated December 21, 1973*

25-26; Hoff: 27, 31; Gold: 32-33), move to dismiss each tax count on the grounds that each was not afforded a pre-indictment conference as required by IRS Regulations, 26 C.F.R. § 601.107(b)(2).

This Court is persuaded by the opinion in *United States v. Goldstein*, 342 F. Supp. 661 (E.D.N.Y. 1972), that this regulation does not grant to prospective defendants rights so fundamental as to require dismissal of the indictment for failure to afford such conferences. The regulation itself contains a caveat in the event that there are compelling reasons to the contrary. The motions are denied.

*7. Venue for the tax evasion counts*

Defendants Hoff and Gold assert that they did not reside in the Southern District of New York during the times alleged in the tax evasion counts against them, nor did they file their returns in this District. For this reason, they move for dismissal of Counts 27, 31 and 32-33, respectively.

The government asserts that the gravamen of the offense is the act or acts of evasion and that venue will lie where these acts occurred. This Court agrees. 18 U.S.C. § 7201; *United States v. Albanese*, 117 F. Supp. 736 (S.D.N.Y. 1954). Cf. *Spies v. United States*, 317 U.S. 492, 499-500 (1943). It remains for the government to prove at trial that acts of evasion were either commenced, continued or completed in the Southern District of New York.

**B. THE DISCOVERY MOTIONS**

*1. Electronic Surveillance, and Searches and Seizures*

Each defendant has requested a government inquiry with respect to possible electronic surveillance, court au-

*Opinion of Lawrence W. Pierce, D.J.,  
Dated December 21, 1973*

thorized or not; and with respect to searches and seizures in their homes and offices, court authorized or not. This request, which is contained in Point IV of the defendants' motion dated July 18, 1973, is repeated verbatim from defendants' Point V contained in the original pre-trial motions dated May 23, 1973, directed at the superseded indictment, 73 Cr. 257. At a June 27, 1973, pre-trial conference with respect to the superseding indictments and their effect on the then pending motions, this Court stated that unless it heard to the contrary from the government, it would assume that the new indictments did not change anything with respect to these requests and that the government was at that time proceeding with the investigations. The Court has not heard to the contrary. Five months have passed. If the government has not yet reported the results of its investigations to the defendant, it is ordered to do so forthwith, with a copy to the Court.

2. *Exculpatory material*

There is no right to pre-trial discovery of this material, but, as the Court stated at the June 23, 1973, conference, it is assumed that the government is aware of its responsibilities under *Brady v. Maryland*, 373 U.S. 83 (1963) and its progeny, and will comply.

3. *Discovery pursuant to Fed. R. Crim. P. 16*

This Court generally adheres to the government's position with respect to the discovery motions made as to both indictments, on the assumption, as stated above, that the government is aware of its duty under *Brady v. Maryland*, *supra*, and under 18 U.S.C. § 3500. Additional requests call for revelation of the government's case which the government is not bound to disclose under Fed. R. Crim.

*Opinion of Lawrence W. Pierce, D.J.,  
Dated December 21, 1973*

P. 16(b), the defendants not having made a showing of materiality or reasonableness. Therefore, defendants' requests for discovery are granted to the extent that the government has consented and denied to the extent that the government has opposed with the following exception:

In light of *United States v. Baum*, Slip Op., #72-1966, 2d Cir., March 22, 1973, the government is directed to answer the following question with respect to each indictment:

Does the government plan to attempt to utilize witnesses who will testify to other "racketeering activities" on the part of the defendants which are not charged in either indictment?

If so, the government is directed to respond with the name and address of any such witness or witnesses. The government may, of course, apply for an appropriate protective order pursuant to Fed. R. Crim. P. 16(e).

As for defendants' requests for the names and addresses of all government witnesses, this Court agrees with Judge Tenney who in *United States v. Maurino*, Unreported Memo., 70 Cr. 999, S.D.N.Y., Aug. 22, 1973, limited *Baum* to its facts.

C. BILLS OF PARTICULARS

The defendants named in the two indictments have requested extensive bills of particulars with respect to each indictment, pursuant to Fed. R. Crim. P. 7(f). The government has responded by consenting to provide certain of the items requested, and by opposing others. As to the requests which the government has opposed, they are denied, with the following exceptions, comments and reservations:

*Opinion of Lawrence W. Pierce, D.J.,  
Dated December 21, 1973*

*73 Cr. 614 (Taft-Hartley indictment)*

¶ 1. In view of the discrepancy between the dates alleged in Point 1 and Point 5(a) of Count 1, the government is directed to state the month and year the alleged conspiracy ended.

¶ 7. With respect to Count 1 (the conspiracy count) defendants have requested notice as to whether or not the government will contend that the defendants [conspired to engage] in any "pattern of racketeering" aside from the acts specified in Counts 2-22 (the substantive Taft-Hartley violations), which are, presently, set forth as the sole underlying predicates for the racketeering objective of the conspiracy. This Court agrees that if the government could allege additional and/or entirely different criminal predicates as additional bases for a racketeering objective, the defendants would have a right not to be surprised by such assertions. However, in this Court's view, the government is limited by the terms of the indictment to proof concerning the predicate acts specifically set forth in Point 4 of the conspiracy count. Defendants' request is therefore unnecessary and on this basis is denied.

¶ 24(d). With respect to count 23 (the substantive racketeering count) the defendants have requested notice as to whether or not any acts, other than those incorporated by reference (the independent acts charged in counts 2-17), will be alleged as predicate criminal acts. As noted in response to request ¶ 7, the government will be limited, to those predicate acts explicitly set forth in the indictment and therefore defendants' request is denied.

¶ 26. The government opposes the defendants' request for notice as to whether or not an audit was conducted with respect to the tax returns involved in counts 25-27 and 31-33 (there is no count 23, 29 or 30 in the indict-



*Opinion of Lawrence W. Pierce, D.J.,  
Dated December 21, 1973*

ment). The government is not required to answer this question, but it should be noted that the government's agreement to request ¶ 10 of the discovery portion of the motion will most likely provide the answer.

73 Cr. 615 (the Hobbs Act indictment)

¶ 8. The defendants request information as to additional unidentified predicates for the substantive racketeering charge contained in Count 2. Presumably they intend the same request with respect to the racketeering objective set forth in the conspiracy count (Count 1). As more fully explained in the Court's response to ¶¶ 7 and 24(d) directed at 73 Cr. 614, these requests are unnecessary in that the government will be held to the terms of the indictment with respect to criminal predicates for racketeering offenses, wherever they are alleged. Defendants' requests are, on that basis, denied.

In ¶¶ 5, 9, 15, 16, 34, 35, 36, 38, and 44, defendants request particulars aimed at eliciting from the government details with respect to the alleged extortion and coercion violations which underlie a good portion of Indictment 73 Cr. 615. The government has consented to ¶¶ 15 and 16. The remainder of these requests are held in abeyance pending receipt of the government's response to the issues as outlined by the Court herein at § A, 2, and further action with respect to the motion to dismiss Indictment 73 Cr. 615.

\* \* \* \* \*

The motions to dismiss are granted, or denied, or held in abeyance as indicated herein. The government is directed to provide the particulars and discovery granted herein, and to the extent it has not yet been provided, the particulars and discovery to which it consented last August. Such disclosures should be made forthwith, but in no event later than January 4, 1974. The government

*Opinion of Lawrence W. Pierce, D.J.,  
Dated December 21, 1973*

is requested to provide the Court with a copy of these disclosures, on January 4, 1974. On the same date, the government should file its response to the issues raised by the Court herein at § A, 2.

Trial of Indictment 73 Cr. 615 is presently scheduled to commence February 11, 1974, at 9:30 a.m., with trial of 73 Cr. 614 to commence immediately thereafter. Indictment 73 Cr. 616, against the union shop for manufacturers for violations of the Taft-Hartley law, will follow. The trial of the civil case against the union defendants, 73 Civ. 1258, is adjourned *sine die*.

So ORDERED.

Dated: New York, New York  
December 21, 1973.

LAWRENCE W. PIERCE  
U. S. D. J.

*Opinion of Laurence W. Pierce, D.J.,  
Dated December 21, 1973*

FOOTNOTES

1. All seven of the union officials and employees charged in one or the other or both of the indictments are represented jointly by the same two attorneys. Mindful of the potential conflict and the Second Circuit's concern with respect to this issue, see, e.g., *Morgan v. United States*, 396 F.2d 110 (2d Cir. 1968), this Court held a special conference with the defendants and their attorneys on May 9, 1973. There, the attorneys were examined on the record with respect to their estimate of their abilities to give each defendant an untrammelled defense. Each defendant was examined individually as to his understanding of his right to undivided assistance of counsel of his choice and warned that counsels' joint representation could conceivably impair their effectiveness on behalf of each individual defendant. Each was informed that if he could not afford to hire an individual attorney, the Court would appoint one. All stated that they understood these rights, that their attorneys had explained these rights to them and that they believed a unified defense was in their best interests. With counsels' assurance to the Court that any future conflict will be brought to the Court's attention immediately, and given the nature of the charges which seem to justify a unified defense, joint representation was permitted.
2. This criminal prosecution was commenced with a single forty-eight count indictment filed March 3, 1973. It named not only the seven union officials and employees but also four officials from union-shop manufacturers. After the original pre-trial motions were filed with respect to the single indictment, the

*Opinion of Lawrence W. Pierce, D.J.,  
Dated December 21, 1973*

government superseded with three indictments filed on June 21, 1973. In effect, the union-shop manufacturers were severed and charged in Indictment 73 Cr. 616, and the charges against the union officials and employees were divided up more or less by the type of acts charged, in Indictments 73 Cr. 614 and 73 Cr. 615, the indictments at issue herein. Some of the union defendants are not named in the first who are named in the second, and vice versa.

3. The indictment itself makes no mention of the involvement of a collective bargaining agreement, although it is only fair to notice that in Indictment 73 Cr. 614 there is an allegation of the existence of such a collective bargaining agreement during 1967 through September 1971 (the dates covered by the acts charged in the indictment) between the union shops and the union, and that sub-contracting out of fur manufacturing work to non-union shops was in violation of it. This Court has no reason to believe that it was not still in force during 1972, when the alleged threats occurred.
4. In addition to the Hobbs Act allegations, the government premises the racketeering count and a portion of the conspiracy count on the New York State law of extortion and coercion pursuant to the definition of "racketeering activity" contained in 18 U.S.C. § 1961(1)(A). The defendants raise issues with respect to the sufficiency of both of these alleged predicate offenses. This Court will deal with these issues when this motion attacking the entire indictment is finally resolved.



# **Excerpts From Trial Transcript**

*Jack Glasser—for the Government—Direct*

(72) \* \* \*

JACK GLASSER, called as a witness by the government, having been duly sworn, testified as follows:

Mr. Sabetta: May I proceed, your Honor?

The Court: Proceed.

Mr. Sabetta: Thank you.

Direct examination by Mr. Sabetta:

Q. Mr. Glasser, I ask you to keep your voice up. This is a large room. The last juror in the jury box has to hear you clearly.

Mr. Glasser, are you appearing here pursuant to a subpoena? A. Yes, sir.

Q. Are you also appearing here pursuant to a grant of immunity? A. I am.

Q. Was that immunity granted you by Judge Bonsal of this court? (73) A. Yes, sir.

Q. Do you recall approximately when that was? A. Oh, some time in April of 1973. I'm not sure of the date.

Q. Mr. Glasser, do you understand that that immunity shields you from prosecution as to any crimes which you may reveal in your testimony here today? A. I do.

Q. Do you also understand that that immunity does not shield you from any perjurious testimony you may give during the course of this trial? A. I do.

Q. That is to say, if you willfully tell a lie under oath, you understand you can be prosecuted for that; do you not? A. I certainly do.

Q. Mr. Glasser, how old are you? A. 67.

Q. Where do you reside at the present time? A. Miami Beach.

*Jack Glasser—for the Government—Direct*

Q. How long have you lived there? A. Since September of 1973.

\* \* \* \*

(74) \* \* \*

Q. Prior to that time where did you live? A. Queens, New York.

Q. How long did you reside there? A. About six years.

Q. Prior to there where did you live? A. In the Bronx, New York.

Q. For how long? A. 34 years.

Q. Mr. Glasser, are you employed at the present time?  
A. No, I'm not.

Q. What is your status? A. I'm retired.

Q. How long have you been retired? A. Since September, 1970.

Q. What did you do prior to your retirement? A. I was employed by the Associated Fur Manufacturers as a labor adjuster.

Q. How long had you held that position? A. 34 years.

Q. You refer to the Associated Fur Manufacturers. What is that entity? A. It's a trade organization, membership organization (75) of fur manufacturers.

Q. It's located here in New York? A. At 2-101 West 30th Street, New York.

Q. It's in Manhattan? A. Manhattan.

\* \* \* \*

(88) \* \* \*

Q. Mr. Glasser, you described your title as a labor adjuster. Would you tell us what you did in that capacity?  
A. I had what was called a district where I had every shop in that district that was a member of the association that I handled. Any labor dispute that arose, I represented the firm, and the business agent of the union represented the

*Jack Glasser—for the Government—Direct*

union. We would go up on whatever the complaint was and try to adjust it. It was done jointly.

\* \* \* \*

(91) \* \* \*

Q. Incidentally, Mr. Glasser, how many labor adjusters besides yourself were there in the association, again addressing yourself to the period of the late '60s and 1970?

A. Four besides yourself.

Q. So five altogether? A. Right.

Q. For those performing the function for the union, the business agents, how many of them were there during that period? A. They had more than four. They might have had eight or nine or ten. They had Greek shops to handle, which had nothing to do with us, and independent shops to handle, which had nothing to do with us. They had more than we had.

Q. Would you describe for us, Mr. Glasser, the frequency of your contact with union officials generally during the period when you were a labor adjuster? (92) A. Almost every day.

\* \* \* \*

(93)

Q. Now, Mr. Glasser, directing your attention to the period of mid to late 1960's and through 1970, did you have any contact with a firm by the name of Sherman Bros.?

A. I did.

Q. Were they in your district? A. They were.

Q. Where were they located at that time? A. 135 West 29th Street.

Q. Who were the principals in this firm? A. Sam and Ben Sherman.

Q. Do you know what kind of business they had? The nature of their business? A. Yes, they manufactured rabbit garments.

*Jack Glasser—for the Government—Direct*

Q. For this period that we are talking about, approximately what kind of volume did they do? A. Oh, I would guess over a million.

Q. Do you know from having visited their shop approximately how many employees they had on hand during that period? A. My best recollection is they had about six or seven employees.

Q. Now, Mr. Glasser, did you ever receive any moneys from either Ben or Sam Sherman during the period of time we are addressing ourselves to? (94) A. I received moneys.

\* \* \* \* \*

(113) \* \* \*

Q. Mr. Glasser, directing your attention to 1967 and with respect to the firm of Sherman Bros., did you receive any moneys from that firm? A. I did.

Q. Can you tell us whether you had any conversations with either of the principals before you received the moneys? (114) A. I did.

Q. Could you tell us when for the first time and what they said and what you said? A. The very first contact was in the street when Mr. Ben Sherman, who is now deceased, asked me to come up to his factory, he wants to talk to me about something.

That afternoon I went up to his factory and he indicated to me—told me rather—there's a lot of work and he just cannot produce at all in his factory, could I get him permission to give out some of his work to non-union shops. I says, "I don't know, but I will let you know." A day or so later I met with—am I allowed to mention names?

Q. Yes, please. Just tell what happened thereafter, what you said, what was said. A. I spoke to Mr. Hoff.

Q. Is that the same Mr. Hoff that is in this courtroom? A. Yes.



*Jack Glasser—for the Government—Direct*

Q. What did you say and what did he say? A. I told him what the firm wants.

Q. What did you say? In substance, what did you say? (115) A. In substance, "The firm would like to give out some of its work to contractors. Would it be okay"? And he says, "Go ahead."

Q. Was there any discussion in any conversation up to that point about dollars? A. Not at that point. I didn't know what the dollars would be at that very point. There was no discussion of dollars at that point.

Q. Was there any further conversation and, if so, what was said? A. I then went back to the firm of Sherman Bros. and the rest of my conversation on that subject was with Mr. Sam Sherman. Mr. Ben Sherman was ill. He had some sort of an incurable disease and he was not always available. He used to come in for an hour or two and then go home.

We discussed the matter, and he told me what he was willing to pay.

Q. How much was that? A. \$1,000 a year.

Q. This was for the privilege of giving out contracting?

A. For the privilege of giving out contracting.

Q. What did you say? (116) A. I said, "It's okay. Go ahead and do it." Then we discussed the method of payment.

Q. What was said in that respect? A. He says, "I'll pay you twice a year in \$500 payments. The first payment I will give you, it will be in July." This was around that time that we took up this subject. The final payment would be in December.

Q. Did you ever communicate the figure that you settled on with Mr. Sherman to Mr. Hoff? A. I did.

Q. Where was that and what did you say and what did he say? A. I told him, "This is what he's willing to pay." I said, "Mr. Hoff, Sherman is willing to pay \$1,000."

*Jack Glasser—for the Government—Direct*

Q. And what did Mr. Hoff say? A. He says, "Go ahead."

Q. This was in violation of the collective agreement; was it not? A. Giving out contracting?

Q. Yes. A. It's in violation of the collective agreement.

Q. Did there come a time when you, in fact, received (117) any moneys in 1967 from Mr. Sherman? A. Yes.

Q. When for the first time? A. Around July, 1967.

Mr. Abramowitz: Which Mr. Sherman, your Honor?

The Witness: Sam Sherman.

Q. Where did you receive the moneys? A. In his place of business at 135—135 West 29th Street.

Q. What were the circumstances surrounding that payment? Tell us what took place in general on that date. A. He took me in his vault where he keeps his stock, his coats, and had \$500 in bills wrapped in a—with a rubber-band around it and gave it to me.

Q. Did he expect you on that date? Was that a pre-arranged meeting? A. Oh, yes. He expected me on that day. He called me to come up to see him.

Q. Do you recall what was said by him in substance and by you on that occasion? A. The only thing that was said is, "You can go ahead and give out the work." The thing that I impressed on him was—I said, "Mr. Sherman, if you give out the work, it must not be at the expense of the workers that you (118) have working here now. They must not lose any time because of your giving out work." He agreed to that.

Q. Was that something that you had been asked to tell him or was that your own thought? A. That was my own thought.

Q. This is 1967 we are talking about. Did you receive any further moneys from Mr. Sherman in that year? A. Yes.

*Jack Glasser—for the Government—Direct*

Q. I am talking about Mr. Sam Sherman now. A. All moneys were received from Mr. Sam Sherman.

Q. All right. Tell us about the second such occasion. A. That would be in December of the same year.

Q. What took place on that occasion? A. He called me up around December, right before Christmas, and gave me another \$500, also wrapped in a rubberband.

\* \* \* \* \*

(119) \* \* \*

Q. The first time that you spoke to Mr. Hoff about this agreement, this arrangement to give out work, was there any other person to whom you spoke after Mr. Hoff about this agreement? A. Yes, I did.

Q. Who was that person? A. Mr. Gold.

Q. What was said by you and what was said by Mr. Gold on that occasion? A. I told Mr. Gold—

The Court: Can you fix a time?

Mr. Abramowitz: Time and place.

Q. How shortly after you had spoken to Mr. Hoff was this? (120) A. I would guess at the latest a week later.

Q. Do you know where it was you had this conversation with him? A. My past recollection, it was at 3:45, Seventh Avenue. There's a little coffee shop in the rear of the building where I met him at 7:45 in the morning. I had to be down almost every morning early to do overtime work—undertime. In other words, to go out on committees to see if overtime was being worked. I discussed it with him while we were having a cup of coffee in the back of the building.

\* \* \* \* \*

Q. Am I correct that you said the first of these conversations with Sherman took place some place in July—

*Jack Glasser—for the Government—Direct*

A. Around July. I cannot be specific to the exact date. Around July of 1967.

Q. Would you say that your conversations with Mr. Hoff followed within a relatively short time thereafter?

A. A day or two later.

(121)

Q. So we are talking about either some time in July or some time in August? A. That is correct.

Q. When you spoke to Mr. Gold at the coffee shop, in substance what did you say and what did he say? A. I told him that Sherman was going to give out work and that he would be taken care of if he just didn't look to get him.

Q. What role, if any, did Mr. Gold have in enforcing the provisions against giving out or contracting out work?

A. Well, he was the head of what they call the organizing committee. He had full charge of trying to track down this illegal work, trying to track down the deliveries of garments from contractors to manufacturers and from manufacturers to contractors. That was his function. He had a staff to help him.

Q. Did they actually place themselves out on the streets to enforce these provisions? A. Yes, they did.

Q. Who was the business agent for this firm at the time; do you recall? A. At the time, in 1967?

Q. Yes. (122) A. Well, my best recollection is that it was a Mr. William Wolliner.

Q. He worked for the union? A. He was a business agent for the union.

Q. And did you approach him about this? A. No, I did not.

Q. Directing your attention to 1968, did you receive any moneys from Sam Sherman? A. I did.

Q. When for the first time? A. Usually in July, when the season started, when he started to get work.



*Jack Glasser—for the Government—Direct*

Q. How much did you receive from him on that occasion? A. \$500.

Q. Again, was this in cash? A. Always in cash.

Q. Where did you receive the moneys? A. In the vault of his factory.

Q. Was that the only money you received in that year from Mr. Sherman? A. No, I received another payment at the end of the year, in December.

Q. Of 1968? (123) A. Of 1968.

Q. How much did you receive on that occasion? A. \$500.

Q. Again, in cash? A. In cash.

\* \* \* \*

(124) \* \* \*

Did you receive any further payments from Mr. Sherman after 1968? A. Yes, I did.

Q. When was that? A. Around July, 1969.

Q. This is again Mr. Sam Sherman? A. Mr. Sam Sherman. Mr. Ben Sherman was deceased by then.

Q. You received this again at the vault of that shop? A. Always in the vault in the shop.

Q. In cash? A. In cash.

Q. What did you do with these moneys that you received in 1969? A. Well, I would pay it out.

Q. Tell us what you did exactly, as best you can recall? A. Well, I would meet, let's say, Mr. Hoff to start with. I would just have \$125 wrapped up, give it to him in his hand and say, "Sherman." That would be the end of the conversation.

(125)

I would then meet Mr. Gold a day later, the same day or whatever in a different place and give him \$125 and say, "Sherman."

I would meet Mr. Lageoles, if he was then the business agent. Now, I cannot place the date when he became the business agent.

*Jack Glasser—for the Government—Direct*

Q. Was he the business agent in 1969, to the best of your recollection? A. My best recollection is that he was.

Q. Do you recall how he became involved in this? A. Yes.

Q. Tell us that. A. I received a call from Mr. Sherman complaining to me one day that Mr. Lageoles walked into his shop by himself.

Under the agreement that we had with the union, they were not permitted to walk into an association shop unless an association representative was with them.

I said to Sherman, "Well, I'll find out what this is all about. You know, I'll speak to Mr. Lageoles and find out why he walked into your shop."

I met Lageoles a day later or maybe the same day and I asked him about it.

He gave me an excuse, he didn't know it was an (126) association shop. But when he walked in, he noticed that the firm had quite a lot of coats on racks in his vault and he started to ask questions, "Where are those coats made," so on, so forth. In other words, he was suspicious that the goods was being made on the outside.

I said, "Well, I'll take care of you. Forget about it."

He waited downstairs for me in front of that building, 135 West 29th Street. I went up to Sherman. This was after I had received the payment.

I says, "I'll need a few more dollars now. I want to take care of the guy that walked into your shop by himself." He gave me some money.

Q. Do you recall how much? A. He gave me \$100.

Q. What did you do with it? A. I went downstairs and I gave it to Mr. Lageoles.

Q. So that in 1969 the moneys received—the first payment—was split between yourself, Mr. Hoff and Mr. Gold? A. Right.

Q. Is that correct? A. Right.

*Jack Glasser—for the Government—Direct*

Q. But thereafter Mr. Lageoles became involved and (127) he got \$100? A. For that first time.

\* \* \* \* \*

Q. When did you make the payoffs to Mr. Hoff and Mr. Gold in '69? Do you recall what month that was? A. It would have to be in July. That's when we usually—when I always got the first \$500 payment.

Q. How soon thereafter did you make the \$100 payoff to Mr. Lageoles? A. About a week or two later.

Q. So again it would be some time in July or the early part of August? A. Yes.

\* \* \* \* \*

(128) \* \* \*

Q. Did you receive any further moneys from the Sherman Bros. or Mr. Sam Sherman, rather, in 1969? A. Yes, in July—at the end of the year, in December.

Q. How much again did you receive? A. \$500.

Q. That was unvaried, it was \$500 each year, twice a year? A. Right, for a total of \$1,000 a year.

Q. All right. When you received these moneys in December, what did you do with them? A. Divided it up four ways.

Q. Tell us specifically what you did. A. Well, if I seen Mr. Hoff—

Q. Did you see him? (129) A. I did see him. I met him either at the Fashion Institute of Technology, which is on 27th Street, in the auditorium—I would hand him the money and say, "Sherman."

He would put it in his pocket and that would be the end of the conversation.

I would meet Mr. Gold wherever I would meet him, in the street or in the building. I would hand him the money, \$125, and say, "Sherman." And he would put it in his pocket, and the same with Mr. Lageoles.

Q. Mr. Glasser, I want to direct your attention to 1970

*Jack Glasser—for the Government—Direct*

and ask whether you received any moneys during that year from Sam Sherman? A. I haven't got any recollection of either getting it or not getting it. I just don't know.

Q. You are not sure if you did? A. I'm not sure at all.

Q. Do you recall any fact which indicates that the arrangement you had structured came to an end in 1969? A. No, it did not come to an end in 1969.

Q. Mr. Glasser, I want you to listen carefully to the question and answer the question.

Again directing your attention to 1967, you say you received \$1,000; is that correct? (130) A. That's correct.

\* \* \* \* \*

(135) \* \* \*

Q. Mr. Glasser, I ask you with respect to the year 1970, what was the total sum of money which you received from Sam Sherman? A. 1970?

Q. '67. A. '67?

Q. Yes. A. \$1,000.

Q. And how much of that did you retain as your share? A. In 1970?

Q. '67. A. '67?

Q. Yes. A. One-third of it.

Q. With respect to '68, the same question, how much of the \$1,000 did you get? A. I'm giving you now my best recollection.

Q. Right. A. One-third.

Q. And now with respect to 1969, how much did you get out of the total payments? A. One-quarter of it.

(136)

Q. Mr. Glasser, during the period of 1967 to the time of your retirement in 1970, to your knowledge, were any complaints filed against Sherman Bros. for contracting by the union? A. There were.

Q. Do you know how many? A. My best recollection, there was about two complaints filed against them.



*Jack Glasser—for the Government—Direct*

Q. I show you Government's Exhibit 3 for identification. Can you identify that? A. Yes, I can.

Q. What is it? A. This is what is called a contracting complaint dated January 10, 1968, against the firm of Sherman Bros.

\* \* \* \*

(139) \* \* \*

Q. Do you know whether this complaint ever resulted in the imposition of a fine of any kind on Sherman Bros.? A. My best recollection is that a fine was imposed on them.

(140)

Q. How much was that? A. \$200.

Q. Did that have any consequence or effect on the moneys that Sherman Bros. was to pay? A. Yes.

Q. Under this contracting arrangement? A. Yes.

Q. What effect was that? A. The \$200 that he paid as a penalty came off from his next payment.

Q. Apart from this \$200 fine or thereabouts in '68, to your knowledge was Sherman Bros. ever fined or suspended from the protection of the agreement in '67, '68, '69, up until your retirement in '70? A. To my knowledge he never was.

\* \* \* \*

(141) \* \* \*

Q. What were the range of fines that you are familiar with in the 34 years that you worked for the Association when a contracting violation was proven? A. It would range from a few hundred dollars to as much as \$10,000.00.

Q. During the time when this complaint was filed by the union do you recall what volume of business Sherman Bros. was doing approximately? A. Over a million dollars.

Q. Incidentally, do you know what role, if any, Mr. Hoff played in the determination of fines and penalties for the union? A. In most cases Mr. Hoff had a pass upon the settlements that were made outside the impartial chairman's office.

*Jack Glasser—for the Government—Direct*

Q. Do you recall whether in this instance it was (142) resolved by the impartial chairman or not? A. I believe it was a private settlement.

Q. Mr. Glasser, did you ever have any contact with a firm named Chateau Furs? A. Yes, sir.

Q. Were they in your district? A. They were.

Q. At what location? A. 114 West 26th Street.

Q. Who were the principals of that firm? A. Harry Hessel and a fellow by the name of Berger.

Q. What was the nature of the business done by that firm? A. They were not fur manufacturers; they were making so-called fake furs, pile, cloth, not furs.

Q. Did they employ members of the Furriers Joint Council of New York? A. Partially.

Q. During the time of 1967 do you recall approximately the volume that they did? A. Well, over a million dollars.

Q. Again, based on your visits to the shop, if any, do you recall how many employees they had in the shop at about that time? (143) A. Well, union employees that belonged to the Furriers Joint Council, I would guess about eight or nine, maybe ten.

Q. Were there non-union employees as well? Oh, yes.

Q. Do you recall about how many of those there were? A. Oh, five, six, and in season, more.

Q. Did you receive moneys from either the two principals of that firm in 1967? A. I received it from one of the principals.

Q. Who? A. Harry Hessel.

Q. Do you recall whether you had any prior conversation about that? A. With Mr. Hessel?

Q. Yes. A. Yes, he called me on the phone—

Mr. Abramowitz: Excuse me, your Honor, same objection as before.

The Court: Overruled.

*Jack Glasser—for the Government—Direct*

Q. Please continue. A. Yes, Mr. Hessel called me and asked me if I could arrange that he should not be harassed when he gives (144) out his finishing and sewing to contractors, since he is not making furs.

Q. Harassed by whom? A. By the union.

Q. And what did you say? A. I said, "I don't know. I will let you know."

Q. And this was a conversation had at what location? Do you recall? A. Well, the firm was at 312 Seventh Avenue for one of the three years that—I just cannot remember when it is that they moved from 312 Seventh Avenue to their location on 26th Street. But I think it started on 26th Street, when they moved to 26th Street, and it was in 1967.

Q. Now, after your conversation with Mr. Hessel, what, if anything, did you do? A. In this particular case the first one I spoke to about it was Mr. Seymour Atlas, who was the business agent of the shop at that time.

Q. Do you know whether Mr. Atlas is still alive? A. No, he is not. The reason I know it is I saw the obit notice in the Times.

Q. Now, in addition to Mr. Atlas, did you speak to anyone else? A. Yes, to Mr. Gold and to Mr. Hoff.  
(145)

Q. Do you recall which of those you spoke to first? A. Mr. Gold.

Q. What did you say to him and what did he say to you?

Mr. Abramowitz: Time and place.

The Court: Yes.

Q. Do you recall approximately when and where you saw him? A. Again it's my best recollection it would be some time in the summer months of '67, July, August,

*Jack Glasser—for the Government—Direct*

when the season really starts, because the first part of the year it's slow, there is very little work the first part of the year.

Q. And you say you spoke to Mr. Gold first? A. No, I spoke to Mr. Atlas first.

Q. After Mr. Atlas? A. I spoke to Mr. Gold.

Q. What did he say to you and what did you say to him on that occasion?

Mr. Abramowitz: Place.

The Court: Yes.

Do you recall where you spoke to him in these summer months of '67? A. In the back of 345 Seventh Avenue, in the coffee (146) shop.

Q. Now, again, what did you say to him and what did he say to you? A. I told him that for a consideration—he knew Chateau was giving out its work to, because he had raided that finishing contract a few times—I said, "Since he's not making furs, let him alone and I will take care of you."

Q. Was anything about price discussed? A. Not at that time.

Q. Now, what did Mr. Gold say about that? A. "Okay"—just that way—"Okay. Go ahead."

Q. Did you speak to anyone else besides Mr. Gold? A. Yes, I spoke to Mr. Hoff.

Q. Do you recall how soon after it was you had spoken to Mr. Gold? A. Oh, a few days later.

Q. Do you recall where it was? A. That was at the office of the impartial chairman during a recess. There was a recess. There were hearings going on and there was a recess, and we were speaking to one another in the back.

Q. Was anyone else present at this conversation? A. No, just Mr. Hoff and myself.



*Jack Glasser—for the Government—Direct*

(147)

Q. What did you say to him and what did he say to you in substance? A. The same thing I said to Mr. Atlas and Mr. Gold, that the firm is not a fur manufacturer, but he is willing for a consideration, willing to pay so that he can give out his excess finishing and sewing to the contractors.

Q. What did Mr. Hoff say? A. He said, "Okay".

Q. Again, no discussion about price at this point? A. At this time I didn't know what the price would be.

Q. Did you speak to anyone else beside the gentlemen you mentioned so far? A. No, nobody else.

Q. What did you do thereafter, if anything, in this respect? A. I went back to the firm and discussed how much they were willing to pay for it.

Q. What did you say where Mr. Hessel is concerned? A. Well, since a large amount of finishing and a large amount of sewing was involved, plus employing non-union help, we came up with a price of \$2000 for the year.

Q. Was any discussion had as to how it would be paid? (148) A. It would be paid four times a year—April, July, October and December.

Q. And in what form? A. Cash.

Q. Now, with respect to 1967 what was the total sum of money that you received from Mr. Hessel that year? A. 1967?

Q. Yes. A. I will say \$1500 for that first year, because we started in July.

Q. On how many occasions did you receive money from him that year? A. Three times.

Q. 500 on each occasion? A. \$500 each time.

Q. And out of that \$500 how much did you keep as your share? A. One-fourth.

Q. With respect to 1968 did you receive any payments from Mr. Hessel? A. Yes, I did.

*Jack Glasser—for the Government—Direct*

Q. For what total sum? A. Four payments of \$500, totaling \$2000.

Q. Again, tell us in your best recollection the (149) months during which those payments occurred in 1968?

A. In April, July, September or October, and at the year, December.

Q. I will ask you to direct your attention back to 1967, the beginning of this, did you ever communicate to any of the defendants in this courtroom what the agreed upon price was between you and Mr. Hessel? A. We never came—

Mr. Abramowitz: Some objection as to before.

The Court: Read the question.

(Question read.)

The Court: Overruled.

A. Mr. Sabetta, at no time during all of these transactions did one know that the other was involved. Each one was separate.

Q. You mean you didn't tell them, at least? A. For example, I wouldn't tell Mr. Gold that Mr. Hoff was involved, or I wouldn't tell Mr. Hoff that Mr. Gold was involved, or that the business agent was involved.

Q. What I am asking you is a slightly different question. What I am asking you is whether you told any of the defendants at any time that the figure settled upon was \$2000 a year? A. No.

(150)

Q. In other words, you just arrived at that figure with Mr. Hessel? A. That is the figure that we agreed to.

Q. Now, in 1968 you say you received \$2000? Is that correct? A. Right.

Q. Again, was that in the same mode that you described for 1967? A. In the same mode.

*Jack Glasser—for the Government—Direct*

Q. Where were these payments received by you? What location? A. Mr. Hessel has a private office. It was always in his private office in an envelope, in small bills.

Q. And, again, out of that \$2000 for '68 what was your share of the moneys received? A. One-fourth.

Q. Now, directing your attention to 1969 did you ever receive any moneys from Mr. Hessel? A. Yes, sir.

Q. What total sum did you receive? A. \$2000.

Q. Was this again on four separate occasions? A. On four separate occasions.

Q. Would the months in which you received that money (151) be the months that you described for the preceding years? A. Yes, sir.

Q. Directing your attention to the first such \$500 payment in 1969, what, if anything, did you do with those moneys? A. Well, when I had the money in my pocket—I always had the money in my pocket—when I would see the individuals involved, wherever it was, as long as it was not conspicuous, I would have \$125 in my pocket, I would give it to them and say "Chateau" and walk away.

Q. Who were the individuals to whom you handed money in 1969 in this fashion? A. To Mr. Gold, Mr. Lageoles and Mr. Hoff.

Q. You kept one-quarter for yourself? A. And I kept one-quarter for myself.

Q. So out of each \$500 payment you got \$125? A. That is correct.

Q. When did Mr. Lageoles enter the picture? A. After Mr. Atlas was taken out of the shop. Mr. Atlas was business agent. For some reason which I don't know he was taken out of the shop and Mr. Lageoles became the business agent.

Q. Do you remember the circumstances surrounding your discussion with him, if any, about this? (152) A. Yes.

Q. Tell us about it? A. We happened to visit the shop

*Jack Glasser—for the Government—Direct*

and he saw some non-union people working there. They had been working there while Mr. Atlas was the business agent. He started to ask questions about these non-union people. So I says, "Let's go downstairs and we'll talk." And we went down in the lobby of the building, and it happened that that was just during the time when I had received a payment, and I gave him \$125, and he put it in his pocket, and that was the end of the questions about the non-union help, and that was the end of any other questions.

Q. Do you recall what you said in substance to him and what he said to you on that occasion? A. Well, I told him that the firm was giving out work and that the firm employed non-union people, and I used the excuse that they are not furriers. I said, "They are not furriers; legally they may be permitted to do so, but just to avoid any disputes of any kind I will take care of you."

Q. Chateau Furs was a member of the Associated Fur Manufacturers, were they not? A. That is correct.

Q. Did the contract under which all of the furriers (153) operated, that is, all of the union firms, firms in the union, speak to the issue of employing non-union labor? A. Yes, that was prohibited.

\* \* \* \* \*

Q. Did Mr. Hessel ever indicate to you the source of the cash he paid you? A. Yes, he did.

Q. What did he say in this respect? A. He said, "These are moneys that I get from retail sales on Saturdays to retail customers that come up and buy a garment and pay for it in cash."

Mr. Abramowitz: Time and place.



*Jack Glasser—for the Government—Direct*

- Q. Do you recall when Mr. Hessel said this to you?  
 A. The first time he gave me the money.  
 Q. That would have been in '67? A. That is correct.

Mr. Abramowitz: Time and place, other than '67.

- Q. If you can, to the best of your recollection? (154)  
 A. In the summer of '67; it would have been around July or August, and the place was at his shop.

Q. You were the Associated Fur Manufacturers representative for Chateau Furs? A. That is correct.

Q. In that capacity did you have any function in the resolution of disputes which began with the filing of a complaint? A. Yes.

Q. What was that? A. I represented the firm in any dispute that arose during the life of the contract.

\* \* \* \* \*

(156) \* \* \*

Q. I think we stopped in our discussions of Chateau with the year 1969. Were any payments made to you by Mr. Hessel in 1970? A. I cannot recall. My best recollection doesn't give me any indication that he did make any payment.

Q. Are there any events which you now recollect which enable you to say that the arrangement which had been worked out ended in 1969? A. No, it did not end in 1969. (157)

Q. For the period of 1967 through 1970 what difficulties, if any, did Chateau first have with the union with respect to the issue of contracting and with respect to the employment of non-union labor? A. None that I can recall.

Q. Mr. Glasser, did you ever have contact with a firm named Breslin Baker? A. Yes, sir.

Q. Were they in your district? A. Yes, they were.

Q. Where were they located? A. At 224 West 30th.

*Jack Glasser—for the Government—Direct*

Q. Who were the principals of that firm? A. Breslin Baker.

Q. Did you know him by any other name? A. Sam Baker.

Q. What kind of business did Breslin Baker do? A. A high class retail operation, expensive fur retail operation.

Q. What sort of furs are we talking about? A. The finest, sable, mink, Fisher, anything that was expensive and cost a lot of money. That is what he handled.

Q. Directing your attention now to the period of (158) 1968 to 1970, can you tell us approximately the volume of business done by that firm? A. It's a pure guess, over \$1,000,000.

Q. Do you recall from your contact with that firm during that same period the approximate number of employees they had? A. Well, for about three or four months a year he would employ about four operators, one finisher, and possibly one nailer; about six people, plus a designer.

Q. Did you ever receive any moneys from Mr. Baker during the period of 1968 through 1970? A. Yes, I did.

Mr. Abramowitz: Same objection as this morning, your Honor.

The Court: One moment. (Pause.)

The Court : All right.

Objection overruled.

Q. When for the first time did you receive any money from Mr. Baker? A. Some time around July, 1968.

Q. Were there any conversations between you and Mr. Baker which preceded the payment of that money? A. Yes, there was.

(159)

Q. Tell us when that took place, approximately. A. Around July, 1968.

*Jack Glasser—for the Government—Direct*

Q. This first conversation I am asking about, where did it take place, as best you can recall? A. In his place of business.

Q. What did he say to you on that occasion and what did you say to him?

Mr. Abramowitz: Same objection, your Honor.  
The Court: Overruled.

A. Mr. Baker called me on the telephone to come up to see him. He told me that he would like to run a small shop only during the busy season. He did not want to have any employees on his payroll during the first six months of the year when he was not busy since he was mainly a retailer, but that he would like to employ a designer to make up his line, samples, and to give out to contractors any work that he could not produce in his factory.

Q. What else did he say, if anything, and what did you say? A. Well, I told him I would have to talk about it, I couldn't give him the permission, I would speak about it to somebody.

Q. Was there any reference made to money at that time? (160) A. Not at that particular moment, no.

Q. What did you do, if anything, following this conversation? A. Some time within that week I spoke to Mr. Hoff.

Q. Where did that conversation take place? A. My best recollection is that it was at the office of the impartial chairman.

Q. On that occasion what did you say to him and what did he say to you? A. Well, I told him what Mr. Baker was requesting.

Q. What did you say in substance to him? A. I told him that Baker would like to run a very small shop and would like to start putting on people late in the season; in

*Jack Glasser—for the Government—Direct*

other words, after July. In the interim he wants to give out some of his work for which he would be willing to pay.

Q. What did Mr. Hoff say to this? A. "Okay, go ahead."

Q. What did you do thereafter? A. I went back to Baker.

Q. What was said by him and by you on that occasion? A. He told me he was willing to pay \$1,000. I said, "Okay, you have a deal." That was it.

(161)

Q. Was there any discussion about how the payments were to be made? A. To be paid twice a year, July and the end of the year.

Q. In what manner? A. In cash.

Q. Directing your attention to 1968, did you, in fact, receive any moneys from Mr. Baker? A. Yes, I did.

Q. How much did you receive? A. Two \$500 payments.

Q. In the months that you have already—A. Some time in July and some time near the end of December of the same year.

Q. Where were those moneys paid to you? A. In his office, in his private office.

Q. Out of that \$1,000, how much did you keep? A. Half.

Q. Directing your attention to the following year, 1969, did you receive any moneys from Mr. Baker during that year? A. I did.

Q. What was the total figure? A. \$1,000.

??)

Q. Again two separate payments? A. Two payments, one in July and one in December.

Q. Out of that \$1,000, how much did you keep? A. Half.

Q. Again directing your attention to 1970, do you recall whether you received any payments from Mr. Baker that year? A. I don't think we got anything from Mr. Baker.



*Jack Glasser—for the Government—Direct*

He doesn't start to work until later in the year. I have no recollection of getting any money from him in 1970.

Q. You left the active function of labor adjuster in 1970 at what point? A. It was some time in August. I went under a medical—I went to the hospital for an operation.

Q. And your best recollection now is that you did not receive any money from Baker that year? A. My best recollection is I did not get anything from Baker in 1970.

Q. Do you know a Mr. Harry Jaffe? A. Yes, I do.

Q. Who is he? A. He was a business agent employed by the union.

Q. Did he have any contact with this firm? A. Yes, he was a business agent assigned to the shop (163) while I was there.

Q. Did you ever discuss with him anything concerning the matters you just related to us? A. No, I did not.

Q. Do you know who Mr. Jack Ziebel is? A. Yes, I do.

Q. Who is he? A. He was the business agent that replaced Mr. Jaffe. Jaffe was given a new district and Mr. Ziebel then became the business agent of the building.

Q. Do you know whether Mr. Ziebel ever commenced any investigation of Breslin Baker during the time you were the labor adjuster? A. I don't recall any such investigation.

Mr. Sabetta: Mr. Clerk, may we have this marked 3501-A, please, for identification.

(Government's Exhibit 3501-A marked for identification.)

Q. Mr. Glasser, I will ask you to read the top third of this page to yourself. A. I don't understand KLI, what is that KLI—

Q. Let me ask you this. Reading this, does this refresh your recollection at all as to whether Mr. Ziebel ever com-

*Jack Glasser—for the Government—Direct*

menced an investigation of Breslin Baker during (164) the period of time you were its labor adjuster? A. I believe now that I read this, that there was an investigation made of its books.

Q. Listen carefully now, I am asking you, your best recollection now, having read this document, does it now supply you with a memory of such an investigation? A. Yes, it does.

\* \* \* \* \*

(180) \* \* \*

Q. Mr. Glasser, I asked you about any investigations commenced by Mr. Ziebel, and I hope I'm pronouncing that correctly. I believe you looked at a document and you said it refreshed your memory. Can you now tell us whether there were any? A. Mr. Ziebel and I were up to the baker shop and Mr. Ziebel told me he was going to ask for a book investigation. We didn't do the book investigation on the spot.

After he told it to me, I got in touch with Mr. Hoff and I told him what Ziebel would want to do.

I said, "Well, you and I better do it, not Mr. Ziebel."

Q. What was done thereafter, if anything? A. Mr. Hoff and I went up and looked at his books and made a superficial examination of his records.

Q. Do you know whether Mr. Baker was fined on that occasion? A. No, not at all.

Q. Is your answer that you do know and he was not? (181) A. He was not fined.

Q. Focusing on 1969, how much money did you get from Mr. Baker? A. 1969?

Q. Correct. A. \$1,000.

Q. To whom, if anyone, did you give any part of that? A. Mr. Hoff.

Q. How much did he get? A. Half of that.

\* \* \* \* \*

*Jack Glasser—for the Government—Direct*

Q. How many distinct times in 1969 did you give money to Mr. Hoff which you had earlier received from Mr. Baker? (182) A. Twice.

Q. Do you recall when that was, each of those two times, approximately? A. Approximately, it would be in July and December.

Q. Do you have any recollection now of where it was when you handed him these moneys, if you did, in fact, hand it to him? A. No, I don't.

Q. Do you recall the matter in which you did convey the moneys to him? A. Yes, I do.

Q. Tell us about that for each of the two occasions. A. I had a roll of bills of \$250. I handed it to him and said, "Baker". That was that.

Q. During these occasions when you handed Mr. Hoff money or any of the other defendants, did you ever discuss matters other than related to the payments of the moneys? A. No.

Q. Did you have any on-going business with any of the defendants with respect to the supervision of the contract, for instance? A. No.

Q. With respect to the period of 1967 through 1970 (183) and as regards the firm of Breslin Baker, to your knowledge, was any fine imposed on that firm? A. Well, I recall that he was fined heavily, but not as a member of the Association, as an independent shop.

Q. When was that? A. It could have been in '65 or '66.

Q. That preceded these moneys? A. Yes.

Q. I am talking about during the period the moneys were paid to you, from '67 to '70. Were any fines imposed? A. Not '67, it was '68 and '69.

Q. I am sorry, I stand corrected. During the period '68 and '69 until that portion of '70 when you retired or left the service, was any fine imposed on Breslin Baker, to your knowledge? A. To my knowledge, none.

*Jack Glasser—for the Government—Direct*

Q. To your knowledge, during that period of time was the firm suspended from the protection of the contract?

A. The firm was not suspended.

Q. Did you have contact with a firm named Schwartzbaum Furs? A. Yes, I did.

Q. Were they in your district? (184) A. Yes, they were.

Q. Where were they located? A. 224 West 30th Street.

Q. What was the nature of that business? A. Mink manufacturers, manufacturing mink garments.

Q. Who were the principals of that firm? A. Jack Schwartzbaum.

He was the sole owner, to your knowledge? A. As far as I know.

Q. Do you know during the years '68 through '70 the approximate volume done by that firm? A. Over \$1 million.

Q. Do you know how many employees they had on the premises during that period, generally? A. About 11 or 12.

Mr. Sabetta: If I may have one moment, please.  
(Pause.)

Q. Did you ever receive any moneys from Mr. Schwartzbaum? A. I did.

Q. When for the first time? A. '68.

Q. Tell us what conversation, if any, between the two of you took place. (185) A. Yes.

Mr. Abramowitz: Same objection, your Honor, as this morning.

The Court: Overruled.

A. Mr. Schwartzbaum called me to come up to see him and I did. In his private office we had a discussion.

He indicated to me that he was importing furs from union and non-union sources and Canada. Under the terms of the collective agreement, that was prohibited. He was jobbing or importing furs from Canada.



*Jack Glasser—for the Government—Direct*

He said to me, "I would like to do this without having any headaches with the union. Can anything be done?"

I said, "I'll let you know." Thereafter I let him know.  
(186)

Q. What did you do after that conversation? A. I spoke to Mr. Hoff. I told him what the firm wanted to do.

Q. In substance what did you say to him? A. I said the firm is importing—I didn't tell him that they wanted to. I said that they were importing furs from Canada, some from union shops, some from non-union shops. And they didn't want to have any trouble doing it.

\* \* \* \* \*

Q. You said this to Mr. Hoff. What did he say to you, if anything? A. He said, let him go ahead and do it.

Q. Had you discussed a price with Mr. Hoff or with Mr. Schwartzbaum prior to this time? A. Not the first time that I spoke with him.

Q. What did you do after you spoke to Mr. Hoff? A. Went back to Mr. Schwartzbaum.

Q. What happened on that occasion? A. And he told me what he was willing to pay.

(187)

Q. What did he say in that respect? A. He said I'll pay you \$300 every three months.

Q. Did that mean he was going to pay \$1200 during the course of the year? A. No, the first part of the year he was not busy. He didn't need it. Starting with about June or July, he would pay \$300 then, \$300 in September or October and \$300 at the end of the year.

Q. So he was willing to pay a total of \$900 a year, is that correct? A. That's correct.

Q. Did you check that out with Mr. Hoff at a subsequent time as to whether that was acceptable? A. Yes, I did.

Q. Tell us the substance of that later conversation with

*Jack Glasser—for the Government—Direct*

Mr. Hoff? A. I told him, to use the exact words, I said Charlie, he wants to pay \$900.

Q. What did Mr. Hoff say? A. Okay.

Q. Directing yourself to 1968, did you in fact receive any moneys? A. Yes, I did.

Q. On how many occasions did you receive money? (188) A. Three different occasions during the year.

Q. Was that pursuant to the plan of \$300 each time? A. That is correct.

\* \* \* \* \*

Q. Did you receive \$300 each time? A. Yes.

Q. What form did you receive it in? A. Three \$100 bills.

Q. On each occasion? A. Yes.

Q. Where did you receive these moneys? A. In Mr. Schwartzbaum's private office.

Q. For the year 1968, how much of those moneys did you retain? A. Half of it.

Q. I want to direct your attention to 1969 and ask whether you received any moneys from Mr. Schwartzbaum that year? A. Yes, I did.

Q. On how many occasions? A. Three occasions of \$300 and one occasion of \$100.

(189)

Q. Could you tell us the approximate times when you received those various sums? A. In July the first time. September or October. And then the end of the year.

Q. What about the \$100 payment you referred to? A. The \$100 thing came about one day when I— Mr. Jaffe and I walked into the shop and he saw some furs of the kind that the firm does not manufacture. In other words, they were not mink garments, hanging on racks. And he started to ask questions as to where they came from. I said to him, forget it, let's go downstairs, we'll talk about it. And we left the firm.

*Jack Glasser—for the Government—Direct*

We went downstairs. And I indicated to him that the firm—it was okay, that we had the right to do it and that I would go upstairs and I'll be right down.

I went upstairs. I saw Mr. Schwartzbaum. I says, "I need a hundred dollars to get him off your back."

He gave me the hundred dollars. I went downstairs. I gave it to Mr. Jaffe and that was the end of that.

Q. Do you recall approximately when this incident took place? A. Well, it was just before he was taken out of (190) the shop and Ziebel replaced him. I just can't—I cannot fix the date.

\* \* \* \* \*

(191) \* \* \*

Q. Did you receive any moneys from Mr. Schwartzbaum in 1970? A. Not that I recall.

Q. During the period of 1968 to 1970, when you left the Associated Fur Manufacturers, to your knowledge was Schwartzbaum Furs fined in any way for that practice of jobbing? A. No, they were not.

Q. Were they ever suspended from the protection of the contract during that period for jobbing? A. No.

Q. Mr. Glasser, did you have contact with a firm called Corinna Furs? A. Yes, I did.

Q. Where were they located? A. 208 West 30th Street.

Q. Were they in your district? A. They were.

Q. Who were the principals of that firm? A. The only principal that I knew was a fellow (192) Sol Cohen. That's the only one I knew of. If there were others; I didn't know about them.

Q. What was the nature of the business of Corinna Furs? A. Mainly retail.

Q. What types of garments, what furs? A. Not a particular type. Mainly mink, but he also manufactured other garments. Other type furs, rather.

Q. Do you know the size of the volume they did generally in the years '68 to '70? A. I would say about \$300,000 a year.

*Jack Glasser—for the Government—Direct*

Q. And do you recall approximately how many employees they had during that same period? A. About four or five.

Q. Did you ever receive any moneys from Mr. Cohen?  
A. Yes, I did.

Q. When for the first time? A. 1968.

Q. Did you have any conversation with him which preceded that?

Mr. Abramowitz: Same objection as this morning, your Honor.

The Court: Same ruling.

(193)

Q. Would you answer the question, please. A. Would you repeat the question?

Q. Yes. Did you have conversations with Mr. Cohen which preceded the payment of moneys by him to you?

A. Yes. Mr. Cohen called me on the phone to come up to see him, and I did, and he indicated to me that he wanted the privilege of starting to work earlier than the prescribed hours in the agreement. In other words, before 8:30 in the morning and to work a little later at night after 4:30 without having the union barging in on him and catching him.

Q. Did he say anything else about this desire of not wanting to have the union harass him? A. Yes, that he was willing to pay for the privilege.

Q. What did you say? A. I would let him know.

Q. What did you do thereafter, if anything? A. I spoke to Mr. Gold.

Q. Did Mr. Gold have any duties in this area with which you were concerned at that time? A. Yes, he was complete charge of sending out these overtime and under-time committees. In other words, (194) he wrote out the complaints that you went out on to investigate shops for overtime and undertime.



*Jack Glasser—for the Government—Direct*

Q. And what did you say to Mr. Gold and what did he say to you? A. Well, I told him that the firm would like to start a little earlier and work a little later and he was willing to pay for it. He says, "Okay."

Q. Again, was there anything mentioned during these discussions? A. At the beginning, I think for the first two payments, it was a hundred dollars a month.

Q. Are you talking about now—— A. '68.

Q. Mr. Cohen? A. Mr. Cohen.

Q. He was willing to pay a hundred dollars a month, you say? A. For the first two months—one or two payments at \$100 a month.

Q. Did you ever discuss the figure with Mr. Gold at any point? A. Yes, I did.

Q. What was the figure mentioned to Mr. Gold? A. At the beginning? \$100 a month.

(195)

Q. Now, you say that in 1968 you did receive months from Mr. Cohen? A. Yes, I did.

Q. Tell us on what occasions and how much? A. Well, only when he was busy was he willing to do that, which as a retailer his season did not start until about either July or August of the year of 1968. And that is when the payments began and that is when he started to work overtime and overtime.

Q. You received, you said, a hundred dollars for the first two months? A. I believe so.

Q. Did you receive any thereafter for that same year? A. Yes, I did.

Q. How much was paid in those subsequent months? A. \$50 a month.

Q. Do you recall the total amount of money that you received in 1968 from Mr. Cohen? A. I would, just guessing now, or my best recollection, about three or four hundred dollars.

*Jack Glasser—for the Government—Direct*

Q. Out of that sum of money, how much did you keep?

A. Half.

The Court: That is during 19—

(196)

Mr. Sabetta: '68, your Honor.

The Witness: 1968.

Q. Is that correct? A. 1968.

Q. Now, directing your attention, Mr. Glasser, to 1969, did you receive any money from Mr. Cohen during that year? A. Yes, I did.

Q. Do you recall the total sum of money you received during that year approximately? A. About \$300.

Q. On how many separate occasions would you have received or did you receive those moneys? A. Every month. From about July on, I would be there and he would give me \$50.

Q. So on six separate occasions you got \$50? A. That's correct.

\* \* \* \* \*

(198) \* \* \*

Q. Mr. Glasser, how much money did you receive from Mr. Cohen in 1969? A. '69? About \$300.

Q. What, if anything, did you do with the moneys you received during that year? A. Split it with Mr. Al Gold.

Q. You received monthly payments from Mr. Cohen? A. Once a month.

Q. How much were you receiving that once a month? A. \$50.

Q. How was that paid to you? A. In cash.

*Jack Glasser—for the Government—Direct*

Q. Do you remember the number of bills? Was there anything special? A. Nothing special.

Q. When you got these once a month payments, what did you do? A. Put it in my pocket.

Q. What did you do with respect to those moneys thereafter? A. The next time I saw Mr. Gold I handed him \$25 (199) and said "Sol Cohen."

Q. To your knowledge did Mr. Al Gold ever investigate Corinna Furs for any overtime or undertime violations? A. On several occasions.

Q. Did you have any contacts with Mr. Gold concerning these investigations? A. I had no contact—he had contact with me.

Q. Tell us about that? When for the first time if you can recall did that take place? A. Some time during the year. I cannot recall any specific date. Some time during the year he would call me and say, "We got to make a showing; we are going to investigate the shop tomorrow morning at 7:30."

When he would tell me that, I would get on the phone, call the firm and say, "Now make sure that tomorrow you have nobody working before 8:30."

The next morning I would be on the committee, because I handled the morning overtime complaints for the association, and with one of the men assigned by Mr. Gold we would go up to the shop of Corinna Furs, make the investigation, find nobody working that was not supposed to be there, and we marked the complaint "Okay", and that would be the end of it.

Q. On how many occasions did this occur? (200) A. At least twice or three times during the year.

Q. Mr. Glasser, I want to ask you to direct your attention back to an earlier firm we had discussed, Schwartzbaum Furs, and ask you with respect to 1969 how much money you received from Mr. Schwartzbaum that year. A. \$900.

*Jack Glasser—for the Government—Direct*

Q. Did you share those moneys with anyone? A. Yes, I did.

Q. With whom? A. Mr. Hoff.

The Court: What year?

Mr. Sabetta: 1969, your Honor.

Q. How much did he get from you? A. Half of \$900.

Q. And again were the payments you made to Mr. Hoff corresponding in time roughly to the payments you received from Mr. Schwartzbaum? A. It could have been a day or two after that; yes, it corresponds roughly to that.

Q. On those occasions when you passed the money to Mr. Hoff, what was said by you and by him, if anything? A. I handed him the money and said "Schwartzbaum."

Q. Now, again directing your attention to a firm we were discussing a moment ago, Corinna Furs, to your (201) knowledge during the period of 1968, '69 and that portion of '70 when you were still working, did the union impose or did anyone impose any fine on Corinna Furs during that period? A. Not that I ever recalled, no, I don't recall any such thing.

Q. To your knowledge was the firm suspended from the protection of the contract during that period? A. Not during the time that I was there.

Q. Mr. Glasser, do you recall dealing with a firm named Daniel Furs? A. I do.

Q. Where were they located? A. 214 West 29th Street.

Q. Were they in your district? A. No, they were not.

Q. Who owned that fur? A. The owner was a gentleman by the name of Daniel Ginsburg.

Q. What was the nature of the business of Daniel Furs? A. They manufactured a trademarked rabbit fur.

Q. Is that what is sometimes called a fun fur? A. Well, it was a fun fur and he had a trademark.



*Jack Glasser—for the Government—Direct*

(202)

Q. What was the name of his trademark? A. Animal Crackers.

Q. Do you know roughly the volume of business they were doing in 1968 through 1970? A. Over a million dollars.

Q. Roughly how many employees did they have in their shop? A. About 12.

Q. Did you ever receive any moneys from Mr. Ginsburg? A. I did.

Q. On more than one occasion? A. On one occasion.

Q. When was that? A. Some time in April or May of 1969.

Q. Did you have a conversation with Mr. Ginsburg preceding that? A. Well, he called me.

Q. Do you recall when that was approximately? A. I would say in April, 1969.

Q. Tell us what he said to you and what you said to him?

Mr. Abramowitz: Same objection, your Honor.

The Court: Same ruling.

(203) A. He called me, and the first thing I asked him was since he was not in my district and I didn't handle his shop, "How come you are calling me up?" He says, "Somebody told me that you could do something for me," without him mentioning who the somebody was. I said, "What is it that you want done?"

He says, "I have been giving out work, contractor—not contractors—and I would like to do it without having the threat of the union catching me. Can anything be done?" And I answered him the same as to the others, I will let you know, but the difference in this case—

\* \* \* \* \*

*Jack Glasser—for the Government—Direct*

Q. You said earlier that he had been giving out work to one contractor. (204) A. Particular contractor.

Q. Did he identify that person? A. He did.

Q. Who was that? A. He gave me the name and address.

Q. Do you recall now what that was? A. The address, yes, the name, no.

Q. After your conversation with him what did you do, if anything? A. I spoke to Mr. Gold.

Q. What did you say to Mr. Gold? A. I told him that the firm would like to be able to give out this work without the threat of being caught doing it, would it be okay? He said, "Okay."

Q. Was there any discussion as to the dollar figure? A. Not at that particular time.

Q. Did you identify the contractor with whom Mr. Ginsburg had been working to Mr. Gold? A. Not at that particular time.

Q. What did you do after your conversation with Mr. Gold? A. I went back to Mr. Ginsburg.

Q. Tell us what you said then and what he said to you. (205) A. I told him that I had spoken to the party, without mentioning names, and it would be okay. And then we discussed the question of how much it would cost him.

Q. Well, tell us now as best you can recall the substance what you said and what he said on that matter. A. I told him I had spoken to a party, without mentioning a name, who said it would be okay, and we then discussed how much it would cost, and he finally said, "I will pay a thousand dollars."

Q. Per year? A. Per year, yes.

Q. Now, in fact, did you receive a payment from him in 1969? A. I did.

*Jack Glasser—for the Government—Direct*

Q. Approximately when was that? A. Oh, some time in May of 1969.

Q. In what form was that? A. Cash.

Q. How much did you receive? A. \$1,000.

Q. What, if anything, did you do with those moneys?  
A. Shared it; split it.

Q. With whom? A. Mr. Gold.

(206)

Q. And how much did you give Mr. Gold? A. \$500.

Q. Do you recall when that took place? A. Some time in May, 1969.

Q. Do you recall the circumstances of the time you passed the money to Mr. Gold? A. Yes, we met on 26th Street and Sixth Avenue in a shoeshine parlor, an indoor shoeshine—it's covered by like a building, like a room, and we sat next to each other getting a shine, and I passed him the money, and he took it, and that was that. And at the same time I told him the name and address of the contractor that was doing the work and to stay away from them, and he agreed.

Q. Do you know who the business agent was for Mr. Ginsburg's shop at that time? A. Yes, I do.

Q. Who was it? A. Mr. Lageoles.

Q. Now, during this year of 1969, and following April or May when you received the moneys, did the firm, Daniel Furs, to your knowledge experience any difficulties with the union with regard to the issue of contracting? A. Yes, they did.

Q. Tell us about that. (207) A. Some time in October or November—the dates I am trying to give you to the best of my recollection—Mr. Reese, of our office, the association office, and a Mr. Shiffman, of the union, went up to Mr. Daniel Ginsburg to investigate his books on a complaint of contracting, and Daniel showed him the books and Reese came back to our office with a report that he gave

*Jack Glasser—for the Government—Direct*

to Mr. Hecht that I overheard, because it was done loud, in which he said that he just had completed an investigation of Daniel's books and a lot of contracting showed up.

The Court: You mean Daniel Ginsburg's?

The Witness: The name of the firm was Daniel's Furs, although the name of the owner was Daniel Ginsburg. He said a lot of contracting showed up in the books. I overheard that. My desk was—Reese was right in back of me as to his desk. I said nothing. But about 4:30 that afternoon I went out of the office and went up to Daniel Furs, spoke to Mr. Ginsburg to try to find out what happened. I said, "What happened here?" He says he doesn't know, he says, "They came up, Reese and Shiffman, and they examined my books and it showed up a lot of contracting." He said, "I am in trouble."

I then left him. I said to him, "Don't worry." And I left him. And I called Mr. Gold on the telephone. I (208) tried to get from him what happened. He says, "I don't know. Something happened. I have no control over it. They investigated his books." And he said to me, "There is nothing I can do."

The Court: Who said this?

The Witness: Mr. Gold to me. I then went down to the union—this is all the same day—I waited in Mr. Stofsky's office, outside his office. Finally I went in to see Mr. Stofsky, just he and I. I told him what happened. He already knew about the fact that the investigation of Daniel Furs had showed up a lot of contracting. And I told him of Mr. Gold's connection and my connection in regard to a payment for the privilege of giving out this contracting. And I said to Mr. Stofsky, "George, if



*Jack Glasser—for the Government—Direct*

you bring this case before the impartial chairman, this guy—meaning Ginsburg—will scream all over the market and you will have a scandal. Just do nothing about it. Forget it. It will be better for everybody.” And he agreed, and nothing ever happened during the time that I was employed.

(211) \* \* \*

Q. Up to the point in time in 1971 you left Associated Fur Manufacturers, to your knowledge, had any action been taken on those complaints by the union? A. To my knowledge, nothing had been done about it.

Q. Directing your attention to 1970. Did you at any time during that year require hospitalization? A. Yes, I did.

Q. Approximately when was that? A. The end of August, 1970.

Q. Prior to entering the hospital, did you have a conversation with Mr. Sam Sherman? (212) A. Prior to entering the hospital?

Q. Yes. A. No, I did not.

Q. Did you have a conversation with him during the time you were there? A. In the hospital?

Q. Yes. A. Yes, I did.

Q. Did he visit you personally or was it over the telephone? A. Over the telephone.

Q. Can you tell us what he said to you and what you said to him at that time?

Mr. Abramowitz: Same objection, your Honor.

The Court: Just a moment. Overruled.

Q. Would you tell us what he said to you and what you said to him at that time? A. Yes, sir. He called me—I don't know how he got my telephone number at the hospital. Anyway, he called me.

He told me—he says, “I fired my floor boy today and the

*Jack Glasser—for the Government—Direct*

boy went down to the union and told them I was giving out work and they have pulled my shop down on (213) strike."

Q. What response, if any, did you make? A. I'll have to be very blunt. I says, "You drunken bastard, you had to fire your floor boy now when you know you are doing something wrong," and that was the end of that conversation.

Q. How long did you remain in the hospital during August or in September? A. About two weeks.

Q. Were you visited at any time during your stay at the hospital by other employees of Associated Fur Manufacturers? A. Yes, I was.

Q. Who visited you in the hospital? A. A Mr. Fiegus and a Miss Mendel, one of the secretaries.

Q. Subsequent to the time you left the hospital, where did you go? After you left the hospital, where did you go? A. I went home.

Q. You recuperated at home? A. I did.

Q. You had an operation? A. I did.

(214)

Q. During the period of your recuperation at home, were you visited by any other employees of Associated Fur Manufacturers? A. Yes, I was.

Q. Who visited you? A. Mr. George Greenberg and Mr. Irving Hecht.

Q. Did there come a time when you returned to work for the association? A. Yes.

Q. Approximately when was that? A. Oh, around September 15th or 21st, one of those dates. I mean, I cannot be precise. It was on a Monday.

Q. Some time in 1970, though? A. 1970, during the month of September.

Q. Would you tell us what happened on that occasion when you returned to work? A. I came in, as I usually do, at about 8 o'clock in the morning, sat down at the tele-

*Jack Glasser—for the Government—Direct*

phone board. That's one of the functions that I had. And about 9 o'clock Mr. Greenberg, the executive director, walked in. He didn't greet me, didn't say anything, walked into his office. About five or ten minutes later he walked in and says—

\* \* \* \*

(217) \* \* \*

Q. What questions were you asked by the three members of the executive committee on that date? A. The main thrust of their questions was for me to tell them who I was dealing with in the union and that if I told it to them, they would see to it that I got my pension plus \$15,000.

Q. When you say, "dealing with," were they talking about who you met as business agents? A. Who I had my transactions with in the union, who I was working with in the union.

Q. The ones that you have enumerated here today?  
A. Right.

Q. Did you tell them the answers to those questions?

A. I told them nothing. I told them—I denied everything.

Q. You denied being involved in any—A. I denied being involved in any shape, manner or form.

Q. Was that day the last day that you worked for Associated Furs? A. That was the last day that I was there. I never was there after that.

(218)

Q. Did you thereafter receive any communications from anyone connected with the association? A. Yes.

Q. What were they? A. It was a letter informing me that I had been retired as of September 1, 1970, and that I would get my pension.

Q. Did you receive any subsequent letter which related something different than that? A. I may have. I don't have any record of that letter.

*Jack Glasser—for the Government—Direct*

(219)

Q. Mr. Glasser, before you I have placed Government's Exhibits 4, 5 and 6 for identification. Beginning with 4, tell us, if you can identify it, and if so, what it is. A. This is the letter informing me that as of September 1st I was retired on my pension. September 1st, 1970.

Q. Direct yourself to the next exhibit. I think it is No. 5. A. This is a letter dated October 21, 1970, five weeks or about seven weeks after I'm retired on a pension, informing them that I was no longer retired on—informing me that I was no longer retired on a pension.

\* \* \* \* \*

(221) \* \* \*

Q. Who was Charles Goldberg? A. He was the attorney for the Association.

Q. Now, following the receipt of that letter in October, what if anything did you do? A. I called Mr. Hoff.

Q. And tell us what you said and what he said on that occasion? A. I told him about getting this letter and I said to him, "Charlie, I am going to need a lawyer now to sue them for it. And you people ought to get him for me."

Q. And what was his response? A. His response was to meet him downtown a day or say later in front of 225 Broadway.

Q. Did you do so? A. I did.

(222)

Q. And what took place at that date? A. I met him about 6 p.m. of the day, some time in October, in front of 225 Broadway. We went into the lobby of the building. He looked up a name on the bulletin board.

Q. That is, Mr. Hoff did? A. Mr. Hoff did. We then went to a floor where we walked into a law office of Irving Anolick.



*Jack Glasser—for the Government—Direct*

Q. What happened at that time? A. We met Mr. Anolick. Mr. Hoff took out a card; and gave it to him, his business card, and we sat down in front of Mr. Anolick. We talked over the whole matter. I had brought along my pension agreement that the Association gave all employees. We all had a written agreement and basically the written agreement was that after a certain number of years in the employ of the association, you had a 100 per cent vested interest in the Fund. And the agreement also stated that should you leave or should you be discharged after the years that you put in giving you the 100 per cent vested interest, you get your pension.

Q. Did you tell all this to Mr. Anolick? A. I did.

Q. Did you tell him all of what you just said about (223) the vested pension rights to Mr. Anolick? A. Not in detail, no. In general terms, yes.

Q. And you had a copy of the pension agreement with you? A. We had the copy of the pension agreement with us.

Q. Did you relate to him your involvement in these payoffs that detailed here today? A. Yes, I did.

Q. Did you tell him that you were guilty of that offense or those offenses? A. I don't remember if I did tell it to him that way.

Q. Is it possible you left him with the impression you had not committed the offenses? A. No, I don't think so.

Mr. Abramowitz: I object to the form of that question.

The Court: Sustained.

Q. You don't have a clear recollection of telling him you did do these things?

Mr. Abramowitz: The question has been asked and answered, your Honor.

*Jack Glasser—for the Government—Direct*

The Court: I will allow it.

A. I don't have a clear recollection, no.

The Court: You have testified that you discussed (224) your involvement.

The Witness: Yes.

The Court: You have a clear recollection of that?

The Witness: In general terms.

Q. Did you tell him that you had been accused of certain things? A. And that I also had been let out for it.

Q. That you had been let go from the Association? A. Let go after 34 years of service, yes.

Q. Did Mr. Anolick say what action he would take, if any? A. Mr. Anolick said that a good friend—this is Anolick speaking—"A good friend of mine called me a—out this case. Otherwise I wouldn't take it," and then he said, "My fee will be \$2000 for taking the case."

Q. Did he, in fact, take the case? A. He did.

Q. Did he thereafter undertake certain actions in your behalf? A. He did.

Q. But at this time you still have not recovered the pension or the moneys you invested in the pension plan, is that correct? (225) A. No, I have not.

Q. Did you at any time ever pay Mr. Anolick for any of his services? A. No, I did not.

Q. Did you and Mr. Hoff ever discuss the question of who was to pay Mr. Anolick? A. Yes, we did.

Q. And you remember the first such of those occasions? A. Right that night.

Q. What did he say to you and what did you say to him about it? A. I said, "Charlie, the fee is \$2000." He said, "Don't worry, we will take care of it."

*Jack Glasser—for the Government—Direct*

Q. Did you ever speak to Mr. Hoff after that night about the question of fee? A. On two occasions he said that he was called by Mr. Anolick and he went down to him and made an additional payment.

Q. This is what Mr. Hoff told you? A. Yes.

Q. Did you ever see Mr. Anolick after this first evening? A. Yes, I did.

(226)

Q. When was that, how long thereafter? A. I went down there with my wife to find out the status of the case. That was at least a year later. I hadn't heard anything and I wanted to know how the matter was getting on.

Q. Did anyone else take charge of that matter at any point in time? A. Yes, Mr. Anolick told me he was giving it over to an, I guess an assistant of his, David Pravda, who was in his office.

\* \* \* \* \*

Q. Now, have you since your contact, initial contact with Mr. Anolick received any pension payments under any pension plan? A. Yes, I have.

Q. Which pension plan is that? A. The industry pension. The Health and Retirement Fund of the Fur Industry pays me a pension.

Q. That's wholly separate from the Association? (227)  
A. Wholly separate from the Association.

Q. Who administers the Health and Retirement Fund of the industry plan? A. It's administered by a fellow by the name of Murray Bertram.

Q. Are there any trustees which represent the—— A. Yes, there are.

Q. They represent the union and the manufacturers?  
A. Yes, sir.

Q. And even though you were an employee of the Associated Fur Manufacturers, you still obtained a pension, is that right? A. And so did everybody—yes, I did.

*Jack Glasser—for the Government—Direct*

Q. And all other labor adjusters of the Association? A. That's correct.

Q. And you recall when you received the first such payment under that plan? A. It would have to be 1972.

Q. Do you recall approximately the month in which that occurred? A. April or May of 1972.

\* \* \* \* \*

(229) \* \* \*

Q. Now, Mr. Glasser, did there come a time when you discussed with any of the defendants in this case a phone call you received from a New York City detective? A. Yes, there did come a time.

Q. And do you recall approximately when that took place? A. Some time in February or March of 1972, or '73, I received a call from Detective Civattano. It was in '73.

Q. You say you received a call in the early part of that year? A. Yes.

Q. And— A. Called me at my home. And asked me to come downtown at Penn Station to meet him.

Q. What did you say? A. I said, "What is it all about?" He says, "I want to talk to you."

Q. Did you agree to meet him? A. I did.

(230)

Q. Now, prior to your meeting him, did you talk with any of the defendants about that? A. Yes, I did.

Q. With whom did you speak? A. Mr. Hoff.

Q. And how shortly after you received the phone call? A. The same day.

Q. What did you say to him and what did he say to you? A. I called him at the union. I said, "Charlie, I got a call from a detective who wants to see me downtown. What is this all about?"

I had been out of the industry now a year and a half and all of a sudden, I'm back in the picture.

"What is this all about?"



*Jack Glasser—for the Government—Direct*

He says, "I don't know. Let's meet downtown. We'll talk."

And the next day before meeting the detective, we met at the New York Hilton Hotel. There was Mr. Stofsky, Mr. Hoff and Mr. Gold.

Q. And what was the discussion on that date? A. I tried to find out how I was in this picture from them because I had read in the press—

\* \* \* \*

(263) \* \* \*

Mr. Glasser, I asked you yesterday whether you ever had a conversation with any of the defendants after (264) receiving a phone call from a Detective Civitano. Do you remember that question? A. Yes, I do.

Q. When did you receive a phone call from Detective Civitano? A. It was early in 1972.

\* \* \* \*

Q. As a result of that conversation or following that conversation, did you have any appointments to keep with any individuals, specifically— A. Yes, I did.

Q. Was it with Detective Civitano? A. It was.

Q. All right. After making that appointment with him, did you speak to any of the defendants in this case? A. Yes, I did.

Q. Who was that? A. I called Mr. Hoff on the telephone. (265)

Q. Tell us what you said to him and what he said to you.

Mr. Abramowitz: Your Honor, I object on the basis of what we argued this morning.

I object to this testimony.

The Court: All right. Overruled.

A. I asked Mr. Hoff if he knew what this was all about, the call from the detective to me.

*Jack Glasser—for the Government—Direct*

"Do you know what this is all about?"

He told me over the phone that there was some sort of an investigation going on of the fur market and that we should meet and talk about it.

I said, "Okay."

We then arranged to meet the next day at the New Yorker Hotel and we did meet.

Q. Who is, "we"? A. Myself, Mr. Stofsky, Mr. Hoff and Mr. Gold at the New Yorker Hotel.

Q. Where is that located? A. 33rd Street—34th Street and Eighth Avenue.

Q. What was said on that occasion by you and by any of the defendants and identify them as best you can by name? (266) A. We were all sitting around in the coffee shop—

The Court: Before you go on, you said you met the next day.

What date are we talking about?

Q. Can you give us any more specific date than that?

A. It would be the day after Detective Civitano called me.

The Court: What day was that?

The Witness: I don't have a specific date.

Q. Do you know what month it was in? A. It was in February.

Q. February of 1972? A. 1972.

Q. Do you remember whether it was at the beginning, the middle or the end of the month? A. I couldn't say.

Q. All right. So the day after this phone call from Detective Civitano you had this meeting? A. Yes.

Q. Again I ask you: What was it on that occasion, giving us as best you can the identity of the speaker?

*Jack Glasser—for the Government—Direct*

Mr. Abramowitz: Your Honor, I have a continuing objection to all of this.

(267)

The Court: Yes.

Mr. Abramowitz: Thank you.

A. I addressed most of my questions to Mr. Stofsky, asking him whether he knew any reason why I should be called down on something that has occurred a year and a half after I'm out of the fur market.

Q. Without referring to what that something was that supposedly occurred, tell us what other conversation there was. Do you understand the thrust of my question? A. Yes, yes, sir. We spoke about the call of the detective and I was urged to meet with him, to get an idea of what he was going to ask me, to get a general thrust of what he was looking for in calling me down for questioning.

Q. What, if anything, did any of the defendants say in respect to that? A. To meet with them, and then, "We will meet again after you hear what he has to say, and let us know what he asked you."

Q. Is that, in substance, what took place on that date?

A. Yes, that's in substance. That's what took place.

(268)

Q. All right. Then did you, in fact, meet with Detective Civitano? A. I did.

Q. How soon thereafter? A. The next day, after that meeting.

Q. The very next day? A. The very next day.

Q. Do you recall when that meeting took place? A. Well, it was midweek. I didn't have any particular date. I just met him on an agreed date, where he called me and said: Meet me on this and that date, and I met him.

Q. Do you recall where you met him? A. In Penn Station, in front of the Savarin Coffee Shop.

*Jack Glasser—for the Government—Direct*

Q. On that date did you have a conversation with him?

A. We went inside, sat down in the booth and——

Mr. Abramowitz: Is this a conversation with Detective Civitano we are talking about, your Honor?

Mr. Sabetta: Yes.

Mr. Abramowitz: I object to any conversation of Detective Civitano.

(269)

The Court: So far we don't have any. Go ahead.

Q. Did you have a conversation? A. Yes, I did.

Q. Did he ask you questions? A. He asked me a series of questions.

Q. Were they in subject matter about the fur industry?

A. They were—yes, all questions were regarding the fur industry.

Q. Did you reveal to him on that occasion anything that you knew about the events to which you have testified here at this trial? A. I revealed nothing to him.

Q. Following that conversation did you have another meeting with any of the defendants? A. That would be about a day later.

Q. With whom did you meet on that occasion? A. With Mr. Stofsky, Mr. Hoff and Mr. Gold.

Q. Where did that meeting take place? A. At the New York Hilton Hotel.

Q. Where is that? A. I believe it's 50 or 51st Street and Sixth Avenue.

(270)

Q. What was said on that occasion by any of the parties present? A. We sat down in the coffee shop and



*Jack Glasser—for the Government—Direct*

we went over all the questions that were asked of me in general terms and the answers that I gave him. The thing boiled down that we both decided that he was fishing and knew nothing.

The Court: Who are you meeting with at this time?

The Witness: With Mr. Stofsky, Mr. Hoff and Mr. Gold.

Q. When you say, "we both", who is the, "we"? A. Well, Mr. Stofsky and Mr. Hoff. Mr. Gold said very little or said nothing.

Q. Following that meeting did you have any further conversations with any agent of the City or Federal Government? A. A few weeks went by and I received another call from Detective Civitano. He calls me at home and tells me——

Mr. Abramowitz: Your Honor——

The Court: Yes, sustained.

Q. All right. As a consequence of the phone call with Detective (271) Civitano, did you arrange to meet with anyone in the Federal Government? A. No.

Q. What did you do, if anything? A. Detective Civitano gave me a telephone number and told me to call——

Mr. Abramowitz: I object, your Honor.

The Court: Sustained.

Q. He gave you a phone number? A. He gave me a phone number?

Q. What did you do then, if anything? A. I called somebody at that phone, the phone number that he gave me.

*Jack Glasser—for the Government—Direct*

Q. To whom did you speak? A. To attorney—U.S. Attorney Hinckley.

Q. As a consequence or following that phone call with him, did you then have an appointment to meet with Mr. Hinckley? A. Mr. Hinckley and I arranged to meet.

Q. Do you recall when it was you were supposed to meet? A. A few days after that.

Q. After you spoke to Mr. Hinckley, did you speak again with any of the defendants in this case? (272) A. Yes.

Q. Who was that? A. Mr. Stofsky, Mr. Hoff and Mr. Gold.

Q. After the phone call with Mr. Hinckley, tell us which of those individuals you spoke to first. A. The three of them were together and myself.

Q. Where did this take place? A. At the Hotel New Yorker.

Q. What took place on that occasion? A. I told him of the call that I had received from Detective Civitano and his request that I should get in touch with Attorney Hinckley, and that I had gotten in touch with him, and that he requests my presence at his office a day or two later.

Q. Any response to that? A. The response was that I was going to go.

Mr. Abramowitz: Response by Mr. Glasser, you mean?

Q. You advised them that you had an appointment with Mr. Hinckley? A. Yes.

Q. Did any of them say anything in response to that? A. I just can't recall what conversation took (273) place there.

Q. Did there come a time when you met with Mr. Stofsky and yourself alone? A. Yes.

*Jack Glasser—for the Government—Direct*

Q. When was that in relationship to the events you have been describing? A. That was after my appearance before Mr. Hinckley.

Q. Where was this meeting? Where did it take place? A. This meeting took place on a Saturday at the Hotel New Yorker.

Q. What was said by you on that occasion and what was said by Mr. Stofsky? A. Well, we went—I told Mr. Stofsky what happened when I appeared before Mr. Hinckley.

Q. What was that that you said to him? A. I told him of the questions that were asked of me. At first I denied everything that Mr. Hinckley was asking me, and then Mr. Hinckley became much more specific, started to ask me questions with names attached to the questions. It was at that time that I knew that Mr. Hinckley had information.

Q. How many times did you meet with Mr. Hinckley (274) all together? A. Well, I met him—

Q. Let me rephrase that. It's too open-ended. How many times did you meet with him prior to appearing in the grand jury?

Mr. Sabetta: Let me withdraw the question.

Q. On the day that you met with Mr. Stofsky alone, the two of you, did you have in your possession at that time any document requiring your appearance before a grand jury? A. Not at that time.

Q. On the first meeting that you had with Mr. Hinckley, did you receive such a document? A. No, not at the first meeting.

Q. Not at the first meeting? A. No.

Q. In this conversation with Mr. Stofsky you said that you related to him the questions and answers that were given and asked by you and Mr. Hinckley; is that right?

*Jack Glasser—for the Government—Direct*

A. Yes. Mr. Hinckley, of course, advised me of my rights. He told me I did not have to answer any questions that he asked me if I didn't want to. He advised me of my rights.

(275)

Q. Then you had a conversation with him? A. Then we continued this conversation.

Q. Did you have counsel with you at that time? A. I had nobody with me.

Q. He asked you a series of questions about the fur industry; is that right? A. That's right.

Q. You said he mentioned specific names? A. Not at the beginning. At the beginning he was just asking me questions and I was denying everything until he became more specific and started to name names.

It was then that I said to him, "Mr. Hinckley, I would like to think this over. Can I have some time to think about this?"

He said, "Yes, you can have as much time as you want."

Q. Then what happened? A. I went out, thought about it, based on the specific questions that he was asking me, and came back to him and said to him, "If I get a grant of immunity"—"Can I get a grant of immunity if I tell all I know?"

Q. What did he say? A. He said, "Yes."

Q. Did you then reveal what you knew about this (276) matter which we are hearing evidence about? A. Yes, we did—yes, I did.

Q. You did make certain revelations at that point? A. Yes.

Q. Even though you hadn't been granted formal immunity? A. No, no, I did not make it at that point.

Q. What did you do? A. He said he would issue a subpoena—a subpoena for me to appear before a grand jury, and a subpoena was issued.



*Jack Glasser—for the Government—Cross*

Q. Was this the first meeting with Mr. Hinckley? A. I will have to refer to my notes. May I refer to some notes that I have?

\* \* \* \*

(292) \* \* \*

Cross-examination by Mr. Abramowitz:

Q. Could you tell us exactly what the functions of a labor adjuster are for the association? A. A labor adjuster is one who is assigned a district by his superior, a street or a number of buildings on the street, and any matter pertaining to the collective agreement, the labor agreement that the union brings up, the business agent—I and the union business agent visit the firm, take up the matter, try to adjust it, and if we fail, the union then brings the case before the impartial chairman.

Q. In that kind of procedure you represent the manufacturer? (293) A. Yes.

Q. You represent his interest and any problem he has with the union that happens to come up? A. That is correct.

Q. How many shops were in your district in the period 1967 to 1970? A. Approximately 125.

Q. You were responsible for 125? A. About 125. I never counted them.

Q. Did that number stay constant from '67 to '70? A. No, no, it decreased.

Q. Decreased? A. Oh, yes.

Q. How many shops did you have in '67? A. I would guess about 125.

Q. How many in '68? A. About 115.

Q. And 1969? A. About 100.

Q. And 1970 up until September? A. About 80.

Q. About 80? A. Yes.

Q. You said, I think, on your direct examination (294) that there were five labor adjustees during this period? A. Yes.

*Jack Glasser—for the Government—Cross*

Q. Including yourself? A. Including myself.

Q. What benefit is it to a manufacturer to join the Association of Fur Manufacturers? A. That is a good question.

Q. Thank you. A. I can give you an opinion.

Q. I would like it. A. Outside of a handful, no benefit; outside of a handful of manufacturers, no benefit.

Q. What do you mean by that? A. That the association is impotent.

Q. You worked for this impotent organization for 34 years? They don't have any clout whatsoever? No effect on labor-management relations? A. They have as much clout as Bella Abzug has in Congress.

Q. What do you mean by that? A. That they have no clout at all.

Q. No clout at all? A. Except for a handful of members.

Q. How many is a handful? Five? (295) A. Oh, no, members of the executive committee, or those that are on the negotiating committee that negotiates agreements.

Q. Now, if a firm that has a union contract, a union shop and is not a member of the association, who represents them in any labor dispute? A. Nobody.

Q. And an association member has a person like yourself, labor adjuster, representing them? Is that correct? A. That is correct.

Q. Is there any advantage to that to the manufacturer? A. I never saw any advantage to it.

Q. You never saw any advantage to it? A. And if I were a manufacturer I would not belong there.

\* \* \* \* \*

Q. When the union pressed a complaint against a firm that was a member of the association, wasn't it your function to try to minimize that complaint and try to keep (296) the fine down, try to keep the result as best for the manufacturer as possible? A. As best as I could, yes.

*Jack Glasser—for the Government—Cross*

Q. Did you 34 years as labor adjuster have occasion to recommend to the impartial chairman or to recommend settlement with the union a little bit more favorable to the manufacturers than it might be if you weren't there? A. We tried.

Q. Did you succeed? A. Sometimes.

Q. About how many times? A. Well, in the 34 years I tried many, many cases. Most of the cases were of a minimal nature, most of them. I couldn't give you a figure. It would be impossible for me to give you any kind of a figure.

Q. Isn't it a fact, Mr. Glasser, that in these proceedings the union usually asks for a higher penalty than is eventually awarded by the impartial chairman, the labor representative asks for a higher penalty and the man from the association usually asks for a lesser penalty? A. No, it is not a fact.

Q. It is not a fact? A. No.

Q. What is the purpose of the trial? (297) A. Well, the purpose is to try to adjust the complaint.

Q. What does "adjust the complaint" mean? A. Let the impartial chairman rule on the facts, and whatever his ruling is, that is it.

Q. Do you take a position in that hearing? Do you suggest to the impartial chairman what he should do? A. We cannot suggest what the impartial chairman should do.

Q. You don't say that the fine should be a little lower than the union is asking? A. Oh, yes, we have done that.

Q. You do suggest? A. Yes.

Q. With independent union manufacturers who are not members of the association, nobody represents them but themselves? Is that correct? A. I have not got the slightest idea of how an independent shop is represented.

Q. But you don't represent them? You only represent association people? A. I don't represent independent shops.

\* \* \* \* \*

*Jack Glasser—for the Government—Cross*

(299) \* \* \*

Q. I think you testified on your direct examination that you had a conversation with Mr. Ben Sherman, who is now deceased, I think you said, some time in 1967, about the privilege of letting out contracting? (300) A. I met Mr. Ben Sherman on the street and he asked me to come up to see him in his place of business, and in his place of business we did talk about that.

Q. When did you meet Mr. Ben Sherman to the best of your recollection? A. The best of my recollection would be the summer of 1967.

Q. You remember it was the summer? A. Not in the wintertime.

Q. That was the first time you had any such conversation with Mr. Ben Sherman concerning contracting? A. That is correct.

Q. Prior to the summer of 1967 neither Sam Sherman nor Ben Sherman had contacted you about this matter? A. That is correct.

Q. Now, I believe you said that after your conversation with Ben Sherman you met with Sam Sherman, is that correct, and from there on during the period he was the one who gave you the money? Is that correct? A. The first meeting was with both Ben and Sam in his place of business. Ben Sherman was ill, a terminal illness.

Q. But he did the talking? A. For the first time the three of us, the two (301) brothers and myself in his office.

Q. But Ben did the talking? Is that your best recollection? A. No, both of them, Sam and Ben.

Q. You testified on direct that Mr. Ben Sherman did the talking? A. Both were there.

Q. And you are sure that that happened in the summer of 1967? A. No, I'm not sure that it was in the summer; it was in 1967.

Q. You are sure it was in 1967? A. Oh, yes.



*Jack Glasser—for the Government—Cross*

Q. How are you so sure of that, Mr. Glasser? A. I just know that it was in 1967.

Q. You just know that? Mr. Glasser, if I told you Ben Sherman died January, 1966, would that make you want to change your testimony? A. No, it wouldn't.

Q. It wouldn't cause you to change your testimony? A. No.

Q. You still want to say it is 1967? A. That is my best recollection.

Q. Did you tell the grand jury that you had this (302) conversation with Ben Sherman? A. I don't recall what I told the grand jury regarding whether it was Ben Sherman or Sam Sherman.

Q. You were under oath in the grand jury? A. That is correct.

Q. You had immunity? A. That is correct.

Q. And you don't remember whether you said to the grand jury that you had this conversation with Ben Sherman?

Mr. Sabetta: Objection. Asked and answered.

A. I don't remember.

The Court: We will leave it that way.

Mr. Abramowitz: Excuse me?

The Court: We will leave it where it is.

Q. Do you remember testifying on direct examination that the firm of Sherman Bros. during the relevant period had a volume of over a million dollars? A. That was my best estimation. I had no knowledge of what their—

Q. On what did you base that? A. Just on the amount of business that they did. I have no knowledge what their business is, no direct knowledge.

*Jack Glasser—for the Government—Cross*

Q. That is your best guess? (303) A. That is my best estimation.

Q. Do you know whether the association keeps any records as to the volume of business of its members? A. Well, they should, because members' dues that they pay to the association is based on the volume of business that they do.

Q. Right. So they have records of the volume? A. They should.

Q. Do you have access or did you when you were there have access to those records? A. No, I had no access to that.

Q. Did you have access to the person that keeps those records? A. I don't think anybody keeps it. It comes in on a form and the office keeps it.

Q. How did you come to this figure of a million dollars? That is what I am interested in. A. I was just estimating; my best estimate.

Q. Based on what? A. On what I thought he did.

Q. It is a guess? A. That is my best estimate of what they do.

Q. If I tell you that the association records for Sherman Bros. in 1967 show a volume of \$350,000, would that (304) make you want to change your testimony? A. No, it wouldn't.

Q. You don't want to change your testimony? A. No.

Q. And if I told you in 1968 the volume was \$466,000 would that make you want to change your estimate? A. No, it wouldn't.

Q. And in 1969 if I told you it was between \$300,000 and \$400,000 based on the association records, would that make you want to change your testimony? A. No, it wouldn't.

\* \* \* \* \*

Q. Did you testify on direct examination about the volume of business at Breslin Baker? A. Yes, I did.

*Jack Glasser—for the Government—Cross*

Q. Do you recall what you said as to the volume of business? A. Yes, I thought it was over a million dollars.

Q. What was that based on? (305) A. Just a pure estimate of what I thought it might be. I had no knowledge of what their volume was.

Q. You had no knowledge of their volume? A. I never knew it.

Q. What goes into your mind to give you the opinion that it was over a million dollars? A. Because he was a high-priced retailer whose garments ranged up to \$35,000 a garment, and I figured that with that kind of a price he might do a million dollars.

Q. Before you testified here yesterday did you have an opportunity to check the association records as to what the volume of business might actually be, rather than a guess? A. It is not my concern.

Q. It is not your concern? A. No.  
(306)

Q. You testified that it's just a guess? A. My best estimate.

Q. If I told you that the Association records show in 1967 Breslin Baker volume was somewhere between \$100,000 and \$350,000, would that make you want to change your testimony? A. No, sir.

\* \* \* \* \*

(307) \* \* \*

Q. Mr. Glasser, when you testified yesterday that your estimate of the volume of business of both Breslin Baker and Sherman was over \$1 million, did you mean to say that it was over \$1 million per year during this period? A. Per year.

Q. Per year. If I told you that in 1967 the Association records showed that Baker's volume was between \$100,000 and \$350,000, that wouldn't make you want to change your testimony? (308) A. No, it would not.

*Jack Glasser—for the Government—Cross*

Q. With respect to 1968, if I told you that the Association records showed a volume of \$348,000, that wouldn't make you want to change your testimony; is that correct?

A. Unless you would let me make an explanation.

Q. Just answer my question. Do you want to change your testimony? A. No, I would not.

Q. For 1969, if I told you that the Association records showed that the volume of business for Baker was \$350,000, would that make you want to change your testimony? A. No, it would not.

Q. On direct examination yesterday did you testify as to the volume of business per year of Chateau Furs? A. My best estimate.

Q. What did you say yesterday as to your best estimate of Chateau Furs? A. Way over \$1 million.

Q. Way over \$1 million. A. Yes.

Q. What kind of company was Chateau Furs? A. A cloth coat manufacturer, pile fabrics.

(309)

Q. Not mink? A. No fur whatsoever.

Q. Not sable? A. Nothing.

Q. Nothing. Cloth coats? A. Yes.

Q. You said it was over \$1 million volume; is that correct? A. That's my best estimate.

Q. If the Association records showed that that volume of that company was between \$100,000 and \$200,000 in 1967, would that make you want to change your testimony? A. No.

\* \* \* \*

(310) \* \* \*

Q. If the Association records showed for Chateau Furs the same amount for 1968 and 1969 as the volume of their business, that is between \$100,000 and \$200,000, would that make you want to change your testimony? A. No, it would not.



*Jack Glasser—for the Government—Cross*

Q. Did you testify on direct examination yesterday as to your estimate of the volume of business of Daniel Furs?  
A. Yes, I did.

Q. Could you tell us what you said yesterday as to your estimate of the volume of business of Daniel Furs? A. Over \$1 million.

Q. A year? A. A year.

Q. During 1967 and 1970? A. No, sir.

Q. Between 1967 and—— A. No, sir.

Q. No? A. No, 1969.

(311)

Q. 1969? A. 1969.

Q. If I told you the Association records of Daniel Furs for 1969 showed a volume of \$275,000, would that make you want to change your testimony? A. No.

Q. If I told you that the 1970 figures of the Association showed the same amount, \$275,000, that still wouldn't make you want to change your testimony? A. I have no idea of 1970.

Q. Your testimony yesterday was only 1969? A. 1969.

Q. You said \$1 million; is that correct? A. That's my best estimate.

Q. You didn't check the Association records before you made that best estimate? A. I have no function of that kind.

Q. They weren't shown to you by the Government, were they? A. They weren't shown to me by anybody.

Q. Going back to this conversation that you say you had with Ben Sherman in the summer of 1967, could you please tell us again what he said to you and what you said to him? (312) A. The conversation was direct and to the point. "I would like to be able to give out some excess work to contractors. Can it be done?"

Q. Ben Sherman said that? A. I didn't say Ben Sher-

*Jack Glasser—for the Government—Cross*

man said it. This was a conversation between the Sherman brothers and myself.

Q. Both of them were there? A. Both of them were there.

Q. Do you remember who said it? A. I couldn't say who said it.

Q. You then said yesterday that you saw somebody from the union after this conversation with Mr. Sherman; is that correct? A. Yes.

Q. Who did you see from the union? A. Spoke to Mr. Hoff.

Q. Mr. Hoff? A. Yes.

Q. Mr. Hoff at that time as now was assistant manager of the union? A. I believe so.

Q. What were his functions; do you know? A. I have no idea what his functions were.

Q. Do you know whether Mr. Hoff goes out on contracting (313) investigations to look for contracting in any of the shops in your Association? A. I believe he had some shops of his own, but I didn't have anything to do with that.

Q. Which shops did he have? A. My best knowledge of what shops he had was 337 Seventh Avenue, a few shops. I don't know how many.

Q. The assistant manager of the union went out on contracting investigations; is that your testimony? A. I didn't say that.

Q. All right. Please tell us what you did say. A. I said that he had some shops to take care of at 337 Seventh Avenue.

Q. What does, "take care of" mean? A. That he handled, that he was the business agent of.

Q. At that same time he was assistant manager? A. That's my best belief.

Q. Was Sherman Bros. one of those? A. Oh, no.

*Jack Glasser—for the Government—Cross*

Q. When does Mr. Hoff come into the picture on the normal procedure with respect to contracting complaints, if at all? (314) A. He comes into the picture on every contracting—

Q. When, after the catch? A. After the catch.

Q. Not before; is that correct? A. Not before.

Q. What is his function after the catch? A. His function is to make up a calendar for presenting the case to the impartial chairman from the union's point of view.

Q. He goes as a representative of the union to ask for any sanctions that the union may think is necessary after the catch; is that correct? A. In almost all cases, that would be so.

Q. And you or any one of your counterparts goes to the Association to argue the Association's side; is that correct? A. In the Association it was a little different.

Q. How was it a little different? A. In most cases Mr. Hecht handled all this type of work.

Q. He was your superior? A. That is correct.

Q. But you did some of it; is that correct? A. Sometimes.

(315)

Q. When Mr. Sam Sherman or Mr. Ben Sherman told you that they would like permission to hand out contracting, the first person that you go to is Mr. Hoff in the union; is that correct? A. That is correct.

Q. Whose role doesn't come to play in any contracting dispute until after a manufacturer gets caught contracting; is that correct? A. Not on that basis, no.

Q. Not on what basis? A. On the basis that he comes in contact with contracting after a man is caught.

Q. How could Mr. Hoff have prevented someone finding contracting on Sherman Bros.? A. How he could prevent it?

*Jack Glasser—for the Government—Cross*

Q. How could he prevent someone from finding contracting? A. I didn't come to Mr. Hoff for him to prevent anything.

Q. That is what Mr. Sherman wanted, wasn't it? A. That is correct.

Q. And the first person that you go to in the union or you say you go to in the union is Mr. Hoff; is that correct? (316) A. That is correct.

Q. Who could not stop an investigation of contracting; is that correct? A. And investigation—

Q. Could he stop it if somebody saw contracting and came to him and said, "I saw contracting at Sherman Bros."? A. You would have to be more specific than that.

Q. Suppose the business agent of Sherman Bros. finds contracting. A. Right.

Q. Can Mr. Hoff stop that. A. Stop what?

Q. Can he say there was no contracting there? A. If the business agent came to him after the catch?

Q. And found out. A. And found out?

Q. Yes. A. Could he say there was none? No, he could not.

Q. Would there be a complaint filed by the business agent? A. Yes, there would.

Q. They would call up a representative of the (317) Association and file a complaint; is that correct? A. That is correct.

Q. Mr. Hoff isn't there; is that correct? A. Isn't where?

Q. Isn't at the plant where the contracting was found, Mr. Glasser. A. Unless it was his shop.

Q. Unless it was his shop. You said he was a business agent also. Not for Sherman Bros.? A. Not for Sherman Bros.

Q. Who did you next speak to in the union or you say you next spoke to in the union about Sherman Bros. contracting? A. Mr. Gold.



*Jack Glasser—for the Government—Cross*

Q. Mr. Gold? A. Yes.

Q. What was his function? A. His function is to—he's in charge of the organization committee.

Q. Yes. A. That is the committee that is supposed to track down this illegal contracting.

(318)

Q. Yes. A. From the union's point of view.

Q. Now, you spoke to Mr. Gold after Mr. Hoff? A. That is correct.

Q. Is that correct? A. Yes.

Q. Now, in your experience, who from the union files the complaints on contracting, who checks for contracting?

A. Who checks if there is contracting?

Q. Yes. A. In most cases there is a written slip for the business agent of the shop.

Q. Mr. Gold was not the business agent for the shop of Sherman Bros., is that correct? A. Mr. Gold was not a business agent.

Q. So you went to Mr. Gold next, is that right? A. That's correct.

Q. Did you go to Mr. Wolliner, who I think you said was—said yesterday he was the business agent of Sherman Bros. A. I did not.

You didn't go to him? A. No, sir.

(319)

Q. He is the one that is supposed to go into the shops in his district to look for contracting, is that right? A. Which he didn't do.

Q. How were you going to protect Sherman Bros. without speaking to Mr. Wolliner? A. By speaking to Mr. Hoff and Mr. Gold.

Q. Mr. Wolliner was free to walk into Sherman Bros. at any time and find contracting, is that right? A. If he knew it existed.

Q. And file a complaint, is that right? A. That is correct.

*Jack Glasser—for the Government—Cross*

Q. Okay? A. Yes.

Q. You didn't speak to Mr. Wolliner about Sherman Bros.? A. No, I did not.

Q. As a matter of fact Mr. Glasser in January of 1968, which is during this period that you supposedly had this arrangement with Mr. Hoff and Mr. Gold, Sherman Bros. did get caught for contracting, didn't they? A. I don't know if they got caught.

Q. You don't know? A. If the record shows that, yes.  
(320)

Q. Did you testify about it yesterday? A. I did not catch him.

Q. Did you testify that in January, 1968, Sherman Bros. was caught for contracting? A. Yes, I did. I was shown the slip and I testified so.

Q. And I think they were fined, weren't they? A. They were.

Q. Who was the business agent? A. At the time that Sherman Bros. was penalized? I believe it was Mr. Wolliner.

Q. But Mr. Hoff had already, according to you, been taken care of? A. Oh, yes.

Q. On Sherman Bros.? A. Yes.

Q. And Mr. Gold already had been taken care of on Sherman Bros., is that correct? A. Yes.

Q. They couldn't stop the fine, could they? A. That was a slap on the wrist.

Q. A slap on the wrist? A. \$200.

Q. Did you participate in that case? (321) A. Did I participate? I certainly did.

Q. Do you know how much contracting was involved? A. Do I know? I certainly do.

Q. How much contracting was involved? A. A lot of it.

Q. How much is a lot? A. A lot of it.

Q. A lot? How much is a lot? A. Plenty of it. I didn't count it.

*Jack Glasser—for the Government—Cross*

Q. You didn't count it? A. No.

Q. Were you the association representative that Wolliner called when he found the contracting? A. No. I don't even know if Wolliner was on the case.

Q. Do you remember who was on the case? A. My best recollection is that it was Mr. Fiegus and Mr. Atlas, but I am not sure of that.

Q. You say you know it was a lot of contracting. How do you know it was a lot of contracting? A. Because the fine was giving out a lot of contracting.

Q. How do you know— (322) A. Just by what I read on the complaint.

Q. How much was on the complaint, do you know? A. Something like 28 shrugs.

Q. Is that a lot of contracting? A. No.

Q. And a \$200 fine is, would you think is appropriate for that amount of shrugs? A. If that—yes. For that amount of shrugs, yes.

Q. Did Mr. Sherman say anything to you after this contracting catch? A. Did he say anything to me?

Q. Yes. A. He asked me what happened.

Q. What did you say? A. I says, "I don't know."

Q. This is supposedly the time that he is giving you money for protection, right? A. That's correct.

Q. But he got caught? A. Not by me.

Q. Who did he get caught by? A. Two people who were not involved in this.

Q. Who? A. Mr. Atlas and Mr. Fiegus.  
(323)

Q. How could you deliver the so-called bargain to Mr. Sherman without their cooperation, Mr. Glasser? A. They had nothing to do with that shop.

Q. They had nothing to do with that shop? A. No.

Q. But Mr. Hoff, you say, could control everything?  
A. He does.

*Jack Glasser—for the Government—Cross*

Q. You could have bounced the whole thing? A. He could have.

Q. Gold could have bounced the whole thing, is that right? A. Mr. Gold was not in a position to bounce anything.

Q. He wasn't? A. No, sir.

Q. But you paid him? A. For not looking for Sherman Bros. goods on the street.

Q. He is not supposed to look? A. He is supposed to look.

\* \* \* \* \*

(324) \* \* \*

Q. Mr. Glasser, Sherman Bros. wanted protection according to your testimony, is that correct? A. That is correct.

Q. And the only two people in this period which you say you went to were Mr. Hoff and Mr. Gold, is that correct? A. At that time, yes.

Q. How could you have assured Mr. Sherman he would not get caught for contracting? A. I couldn't assure him that he couldn't get caught at all.

Q. Then what did he pay you for? A. He paid that if— if something happened, if something happened, that he could sort of forget about it.

Q. If something happened? A. If something happened.

Q. Something happened. A. Right.

Q. Did you forget about it? A. Yes.

(325)

Q. Who forgot about it? A. Everybody concerned forgot about it.

Q. Mr. Sherman forgot about it? A. Right.

Q. He paid a fine? A. No. He paid a penalty, but that was taken off his next payment.

Q. His next payment to you. A. To me.

Q. It was taken off, a deduction? A. A deduction.

Q. Because you couldn't deliver, is that right? A. No.



*Jack Glasser—for the Government—Cross*

Because he paid the fine and it came off the top of his next payment.

Q. He still paid you after he was caught for contracting, you say that he still paid you for protection against getting caught for contracting? A. Yes.

Q. Even though he got caught? A. Yes.

Q. And got fined? A. And got fined \$200.

\* \* \* \* \*

(326) \* \* \*

Q. You testified yesterday that you had an understanding with Mr. Schwartzbaum, is that correct? A. That is correct.

Q. During this period? A. Yes.

Q. Mr. Schwartzbaum gave you some money, you said, is that correct? A. That is correct.

Q. What was he concerned about when he gave you the money? A. Jobbing from non-union sources mainly.

Q. Importing? A. Importing, yes.

Q. Who did you say that you saw with respect to the union after your conversation with Mr. Schwartzbaum? A. Mr. Hoff.

Q. Mr. Hoff? A. Yes.

Q. Was this one of the shops that you say Mr. Hoff was a business agent at? A. He was not a business agent of any of my shops.

Q. Any of your shops? (327) A. None whatsoever.

Q. So he didn't go up to Schwartzbaum on an everyday basis? A. He never was up to Schwartzbaum as far as I know.

Q. So that if anybody from the union saw importing at Schwartzbaum, they could file a complaint, is that correct? A. If they saw it.

Q. But the first person that you went to in the union to try to help Mr. Schwartzbaum, according to your testimony, is Mr. Hoff? A. That is correct.

*Jack Glasser—for the Government—Cross*

Q. Now Mr. Schwartzbaum, you say, paid you in 1969?

A. '69, yes.

Q. And how much did he pay you? A. Three payments of \$300.

Q. That's supposedly to permit him to have importing, is that correct? A. That's what he told me.

Q. Mr. Glasser, is it not a fact that Mr. Schwartzbaum had a strike called by the union in May, 1969, for importing? A. I think it's correct.

Q. How long was that strike? (328) A. I don't recall how long it was but I know that Mr. Schwartzbaum was up at the association complaining about the impotency of the association.

Q. Did he come up to you and complain about your end of the bargain? A. No. Not at all.

Q. He gave you \$900 to take care of this, Mr. Glasser, is that correct? A. No, he did not.

Q. He didn't? A. Not at the time when the strike was on. There had been no payment.

Mr. Abramowitz: If your Honor will bear with me a minute, please.

The Court: Yes. (Pause.)

Q. Do you know how much Mr. Schwartzbaum was fined—do you know how much Mr. Schwartzbaum was fined after that strike and had to pay? A. I don't recall that he ever was fined.

Q. Do you know if he had to pay \$400 as a result of that strike? A. I don't recall that.

Q. You don't recall? (329) A. No.

Q. But he was paying you \$900 a year, you say, to stop this sort of thing? A. That is correct.

Q. And Mr. Hoff has a responsibility as far as strikes are concerned, is that correct? A. I don't say that Mr.

*Jack Glasser—for the Government—Cross*

Hoff has any responsibility to strikes. I don't know who has that responsibility.

\* \* \* \* \*

Q. You testified yesterday, Mr. Glasser, that Mr. (330) Ginsburg and you had a conversation, I think in April of 1969, is that correct? A. That's correct.

Q. And Mr. Ginsburg—what did he want protection from? A. Giving out some contracting.

Q. Giving out contracting. How much did he pay you? A. \$1,000.

Q. In 1969? A. In April of 1969.

Q. For the whole year? A. For the whole year.

Q. In October of 1969, wasn't there a contracting catch at Ginsburg's? A. There certainly was.

Q. Who did you speak to right after your conversation with Mr. Ginsburg, with the union I am talking about? A. Let's fix the date, please.

Q. April, 1969, Mr. Glasser. A. To Mr. Gold.

Q. Mr. Gold. Did you speak to the business agent? A. I didn't handle that shop.

Q. You didn't handle that shop? A. I had nothing to do with the business agent (331) or that shop.

Q. So that you really couldn't have protected Mr. Ginsburg against a business agent finding contracting on the shop, is that correct?

Mr. Sabetta: I object to that question. Hypothetical.

Mr. Abramowitz: Your Honor, it is a perfectly proper question.

The Court: I will allow it.

A. I couldn't protect him because I had nothing to do with that shop. I mean, if he got caught, that would be his tough luck.

*Jack Glasser—for the Government—Cross*

Q. What did he pay you the money for? A. For a particular series of contracting that he told me who he was giving it to, the address of the place, and I conveyed that to Mr. Gold.

Q. Did you tell the grand jury that story? A. Yes, I did.

Q. You did? A. Yes.

Q. Do you remember appearing before the grand jury on April 27, 1972, Mr. Glasser, and being asked this question and giving this answer.

Mr. Sabetta: I object to this. I think he is (332) asking Mr. Glasser two questions. Let's see if he can fix the date first. I will object to the form of the question he is asking does he remember appearing—he is asking him does he remember appearing on that date and then he is asking him does he remember being asked this question and answering. I object to the question.

The Court: All right.

Q. Do you remember appearing at the grand jury on April 27, 1972? A. Yes, sir.

Q. Do you remember being asked this question and giving this answer. Page 19, Mr. Sabetta, of the transcript, line 18.

Mr. Sabetta: Thank you.

Q. "Q. How did you get in contact with Daniel Furs? A. He called me. "Q. You say he. A. Mr. Daniel Ginsburg, the owner, the boss, called me. When he called me to come up to see him, I was up to see him. I was a little bit surprised because I didn't have anything to do with him. I had no connection with his shop. He said 'Come up, I want to



*Jack Glasser—for the Government—Cross*

talk to you about something.' And I visited his shop and he told me somebody gave him my name and could I arrange for him to get out (333) some contracting to a non-union shop. I said 'I don't know, I don't handle your shop. It's a little difficult because I don't have no control over the business agent that's working for the union but I will speak to somebody and let you know.' I thereafter contacted this Al Gold, who is an organizer and in charge of all these functions of trying to catch people that are doing contracting, so to speak, and I told him about it and the firm indicated they would pay a thousand dollars for the privilege." Do you remember hearing those questions and giving those answers A. Yes.

Q. Did you mention to the grand jury that there was a particular contractor that Mr. Ginsburg was concerned about? A. I may have. I don't know. If it doesn't say so, I didn't.

Q. But you said so yesterday, is that correct? A. I say it now.

Q. What could Mr. Gold do with this name of the contractor that you say Mr. Ginsburg— A. Will you please repeat the question?

Q. What could Mr. Gold with the name of this contractor that you gave him from Mr. Ginsburg? (334) A. Wrote it in a little book.

Q. What could he do about it? A. Nothing. He knew that he should stay away from the shop.

Q. He should stay away from the shop? A. That's right.

Q. As a matter of fact Mr. Glasser, didn't you testify yesterday that after the contracting catch at Ginsburg in October, 1969, you called Al Gold, is that correct? A. I did.

Q. And Al Gold said, "What can I do? I can't do anything," is that correct? A. No, Al Gold said, "There is nothing I can do."

*Jack Glasser—for the Government—Cross*

Q. "Nothing I can do." A. Right.

Q. You gave the money to the wrong man, Mr. Glasser, is that right? A. I didn't think so at the time. I thought I gave it to the right man.

Q. But he got caught for contracting? A. That's correct.

Q. You testified yesterday about Mr. Hessel of Chateau Furs, is that correct? (335) A. That's correct.

Q. You testified again this morning that it was not a fur shop, is that correct, it was a cloth shop? A. It is not a fur shop.

Q. Do you know how many shops in the Furriers Joint Council are similar to Chateau Furs in that respect? A. Do I know?

Q. Do you know? A. No.

Q. Do you remember hearing that there are an awful lot of them? A. Awful lot of them?

Q. Yes. A. I never knew there to be an awful lot of them.

Q. If I told you the number was five, would that accord with your best recollection as to the kind of shops that Chateau Furs was, a cloth shop? A. It could be.

Q. And as a cloth shop, Mr. Glasser, any workers that the Furriers Union has in that kind of a shop is a plus for them, is that not correct? A. I couldn't answer that question.

Q. There is no fur in that shop, is there? A. There is none.

(336)

Q. No fur? A. No fur.

Q. So the Furriers Union to the extent they were able to organize even part of that kind of a shop, has a plus to it, is that right?

Mr. Sabetta: I object to it, your Honor. He asked that and he answered that he doesn't know.

*Jack Glasser—for the Government—Cross*

A. I don't understand the question.

Mr. Abramowitz: He said he doesn't understand.

The Court: All right.

Mr. Abramowitz: I will rephrase it.

Q. Chateau Fur Corporation, despite its name, is a cloth shop, what is known in the trade as a cloth shop, is that correct? A. It's that now. At one time it was a furrier.

Q. Was it a furrier in 1967? A. No, I don't think so.

Q. So at the time we are talking about, 1967 to 1970— A. It was a cloth shop then.

Q. But there were members of the Furriers Joint Council in that shop, is that correct? A. In that shop, yes. And in prior years and after that.

(337)

Q. There were also some non-union people in that shop, is that correct? A. In—what year?

Q. '67, '68, '69 and 1970. A. Yes, sir. There were non-union people employed.

Q. And Mr. Hessel—excuse me, how long prior to 1967 did that situation exist as between union workers and non-union workers in the Chateau Fur Shop? A. I don't know.

Q. You don't know? Was it for some time prior to that? A. I wouldn't know. I wouldn't know that.

Q. Your best recollection is it didn't start in 1967? A. I couldn't answer that question. I don't know.

Q. Mr. Hessel, you say, said to you he would like to keep non-union people in the shop as well as union people in the shop, is that correct, without being bothered by the union? A. That was one of his requests.

Q. What was another of his requests? A. Being able to give out work to be done by contractors.

*Jack Glasser—for the Government—Cross*

(338)

Q. Right. Who did you speak to after Mr. Hessel spoke to you? A. Mr. Hoff.

Q. Mr. Hoff? A. Yes.

Q. What did you tell Mr. Hoff? A. Just what I said, that the firm would like to be able to give out some work.

Q. Right. Mr. Hoff, I take it, knew that Chateau Furs was a cloth shop? A. Oh, I'm sure he knew.

Q. You are sure he knew. You are sure he knew there were some non-union people in that shop? A. No, I didn't say that.

Q. Do you think Mr. Hoff knew that there were non-union people in that shop?

Mr. Sabetta: I object to that question.

The Court: Sustained.

Q. Did Mr. Hoff ever tell that there were non-union people in that shop? A. Did he ever tell me? No.

Q. Did anybody from the union ever tell you? (339)  
A. That there were non-union people in the shop? No.

Q. Did anybody from the Association ever tell you that?  
A. From the Association that the firm employed non-union people? No.

Q. Was it open and notorious, Mr. Glasser, that Chateau Furs had some non-union people in that shop? A. Was it what?

Q. Was it a wide open thing? Did Mr. Hessel seem to hide the fact that there were non-union people in the shop?  
A. Did he hide it from the union?

Q. Did he hide it from anybody? A. He hid it from the union, yes.

Q. He hid it from the union that there were non-union people in the shop? A. Oh, yes.

Q. Oh, yes. Cloth shop? A. Cloth shop, members of the Association.



*Jack Glasser—for the Government—Cross*

Q. I have your answer. Thank you. You think the union workers in Hessel's shop kept it a secret from the union that there were non-union people there?  
(340)

Mr. Sabetta: I object to the question.  
The Court: Sustained.

Q. You testified yesterday about a Corinna Furs and Sol Cohen. Do you remember that? A. Yes, I do.

Q. You said that Mr. Cohen had only really one concern, and that was overtime and undertime; is that correct?  
A. That's correct.

Q. He wasn't concerned about contracting, at least in the conversation with you? A. Not to me he wasn't.

Q. Right. You say he contacted you and had a conversation with you about this; is that correct? A. That's correct.

Q. And offered you money to make sure there's no problem with overtime and undertime; is that correct? A. That's correct.

Q. You served on these overtime and undertime committees for the Association, didn't you? A. I was not the only one. I did serve on them.

Q. You did? (341) A. Yes.

Q. Can you tell us something about these committees?  
A. How they function?

Q. Yes. A. Well, generally speaking, about four o'clock or 4:15 of every afternoon that the union would want a committee—they didn't want them every day—Mr. Gold or one of his assistants would call our office and say: We want a man for five o'clock, for example, in front of 333 Seventh Avenue for overtime investigations, and one of our men would be in front of 333, and a representative of the union would be there and they would go through buildings.

*Jack Glasser—for the Government—Cross*

Q. The union can't do this itself; is that right? It has to have a member of the Association? A. They are supposed to have a member. They have done without us.

Q. When did they do it without you? A. Oh, many times.

Q. But the times that you were there they did it with the Association? A. That's correct.

Q. What did they do if they found an overtime violation by themselves? (342) A. Nothing.

Q. Would they call up a member of the Association and file a complaint? A. No, they couldn't.

Q. Couldn't? A. Could not.

Q. If they found contracting by themselves, could they call up a member of the Association and file a complaint? A. Yes, they could.

Q. But overtime they couldn't? A. They could not.

Q. Your counterpart had to be there on any overtime violation; is that correct? A. That is correct.

Q. Mr. Cohen, you say, was paying you in 1968 and 1969, and possibly you said in 1970; is that correct? A. In 1970 I cannot be sure of anything.

Q. Isn't that a fact, that Mr. Cohen was caught in contracting on January 16, 1970? A. He was caught in contracting? I don't know of that at all.

Q. You don't know? A. No.

(343)

Q. You don't remember that? A. No, I don't.

Q. And there was a complaint filed then? A. I have no idea.

Q. He was paying you for two years prior to that: is that right? A. It had nothing to do with contracting.

\* \* \* \* \*

(344) \* \* \*

Q. Mr. Glasser, you testified this morning that you remember testifying in the grand jury on April 27, 1972? Is that correct? A. Yes, sir.

*Jack Glasser—for the Government—Cross*

Q. Do you recall on that date when you testified about Sherman Bros. that you were asked these questions and gave these answers, page 3, line 18:

"Q. And what was that understanding? A. The understanding that we had was that Sherman Bros. would pay to me \$1000 a year for the purpose of the firm being, for the firm being permitted to give out contracting which under the contract that was in effect with the union is prohibited.

"Q. And did you receive that \$1900? A. I did.

"Q. Per year? (345) A. I did.

"Q. And what did you do with that \$1000? A. I shared it with three representatives of the Furriers Joint Council.

"Q. Who did you share it with? A. I shared it with Al Gold, Charles Hoff and Cliff Lageolas. L-a-g-e-o-l-a-s. It may not be correct, but that's about the best spelling I can give you now.

"Q. And was there any reason why you shared it with these particular men? A. Yes. In order for the firm to be protected, so to speak, against having any trouble for giving out the work, the business agent of the shop Cliff Lageolas had to be taken care of, so that he wouldn't interfere."

Do you remember being asked those questions and giving those answers? A. Would you fix the year?

Q. I will be glad to. Referring to page 3, line 14:

"Q. Now, during the years 1967, 1968, 1969 and for the first half of 1970, did you have an understanding with anybody at Sherman Bros.? A. I did."

(346)

And then we start with, "And what was that understanding?"

So the question was directed to the period we're talking about, 1967 to 1970.

Do you remember being asked those questions and giving those answers? A. I do.

Q. You were under oath in the grand jury? A. Yes, sir.

*Jack Glasser—for the Government—Cross*

Q. And you implicated in your testimony Mr. Clifford Lageoles as the business agent for Sherman during that year? A. What year?

Q. I will repeat what I said before, 1967, 1968, 1969, and for the first half of 1970. A. That was corrected later on.

Q. You were wrong in your testimony of April 27, 1972? Is that correct? A. My recollection as to when Mr. Wolliner left the shop came to me later on.

Q. Later on? After April 27, 1972, when you testified? A. Yes.

Q. So that Mr. Lageoles was not business agent in (347) 1967 and 1968? Is that correct? A. Mr. Lageoles replaced Mr. Wolliner when he became ill.

Q. Do you know when Mr. Lageoles replaced Mr. Wolliner? A. When Mr. Wolliner became ill.

Q. Do you know when that was? A. I could not recall that.

Q. And yet you testified under oath in the grand jury that you shared moneys with Mr. Lageoles in '67 and '68, but you were wrong? A. On Lageoles?

Q. Yes. A. Only when he became business agent.

Q. And he was not business agent in '67 and '68? Is that correct? A. Whenever Mr. Wolliner became ill; he replaced him.

Q. But you testified that he got money in 1967 and 1968? A. I testified, and then I remember that Mr. Wolliner was business agent and I had that testimony corrected.

Q. You also testified, Mr. Glasser, in questions (348) and answers that I just read to you that it was absolutely essential, in effect, to have the business agent taken care of, as you put it, for this little scheme to work? A. I never recall using the words "little scheme".

Q. I will let you hear what words you did use, page 4, line 11:



*Jack Glasser—for the Government—Cross*

"Q. And was there any reason why you shared it with these particular men? A. Yes. In order for the firm to be protected, so to speak, against having any trouble for giving out the work, the business agent of the shop Cliff Lageoles had to be taken care of, so that he wouldn't interfere."

Do you remember using those words? A. I didn't use the words "little scheme".

Q. Do you remember using the words I just read to you? A. In the minutes, yes.

Q. And yet in 1967 and 1968 and part of 1969 Mr. Wolliner was the business agent for Sherman Bros.? Is that correct? A. That is correct.

Q. And he did not "have to be taken care of" is that correct? (349) A. That is correct.

Q. And, in fact, he was not, according to your testimony, taken care of? A. That is absolutely correct, he was not.

Q. Who was the business agent in 1967 and 1968 and 1969 and 1970 for Daniel Furs? A. I have no idea. I never handled that job.

Q. You never handled that job? A. No.

Q. Did you testify yesterday that Mr. Logios was the business agent of that shop? A. If he was, then he was, but I didn't handle the shop, I said.

Q. But you took money from Mr. Ginsberg? A. Mr. Ginsberg gave me money; I didn't take it from him.

Q. He gave it to you? A. He gave it to me.

Q. You didn't give it back? A. Give it back to him? No, sir.

Q. If I told you Mr. Logios was the business agent of Daniel Furs would it refresh your recollection that he was? A. No, it would not; I had no connection with the shop. (350)

Q. You didn't give any money to Mr. Logios? A. I never worked with Mr. Logios.

*Jack Glasser—for the Government—Cross*

Q. Who was the business agent for Mr. Schwartzbaum's firm? A. Part of the time in '68 and '69 it was Mr. Jaffe. And then Mr. Ziebel replaced him.

(351)

Q. Did you have to take care of Mr. Jaffe? A. No, just on one occasion.

Q. Did you have to take care of Mr. Ziebel? A. Never.

Q. Never? A. No.

Q. When did you take care of Mr. Jaffe? A. There was one occasion when Mr. Jaffe walked into the shop by himself. He had access to that shop and saw something, some coats there that he knew were not manufactured on the premises. And mentioned it to me and I knew right then and there that he was suspicious of something and I took care of him on that one occasion.

Q. When to the best of your recollection was that?

A. That was just before he was replaced by Mr. Ziebel.

Q. And then you never gave any money to Mr. Ziebel, is that correct? A. Never.

Q. Who was the business agent for Corinna Fur, Sol Koenig? A. Mr. Jaffe.

Q. When did he leave that position? A. I don't know. I guess at the same time that Mr. Ziebel replaced him on the block.

(352)

Q. But Mr. Ziebel did replace him, is that correct?

A. I believe he did. I'm not sure but I believe he did.

Q. Did you ever give any money to Mr. Ziebel with respect to Corinna Furs? A. I never gave Mr. Ziebel money for anything at any time.

Q. But he was the business agent, is that correct?

A. He was the business agent after Mr. Jaffe left the shop, if he did. I'm not sure of that, now.

Q. Did you say that Mr. Jaffe was the business agent for Corinna Furs part of the time to your recollection?

*Jack Glasser—for the Government—Cross*

A. Could have been there all the time. I just don't remember.

Q. Did you ever give Mr. Jaffe any money for Corinna Furs? A. Never.

Q. Just for Schwartzbaum? A. Once.

Q. Once for Schwartzbaum? A. One occasion.

Q. And never for Corinna? A. Never for Corinna.

Q. By the way, Mr. Glasser, did you keep any records (353) of these payments that you testified about yesterday?

A. No, sir.

Q. No? A. No, sir.

Q. Tell me how you remember who gave you for what?

Mr. Sabetta: I object to that kind of a question, your Honor.

Mr. Abramowitz: I withdraw the question.

Q. Can you tell us how you can remember today in 1974 who gave you what amounts of money and what you did with them?

Mr. Sabetta: I object to that question. Calls for the operation of the witness' mind. He can ask him whether he has documents and so forth but I think that's an improper question.

The Court: I'll allow it.

A. It's my best recollection of events that took place in the past, is what I am giving you now.

Q. But you had no records of this? A. No records whatsoever.

Q. You had no records during the time that you say you were taking this money and passing it along, you had no records of it, is that correct? A. No records whatsoever.  
(354)

*Jack Glasser—for the Government—Cross*

Q. Did you ever during the course of meeting Mr. Gold and Mr. Hoff and Mr. Lageoles, did you ever see them take any notes when you gave them money? A. Did I see them? Never saw anything of the kind.

Q. Didn't you testify this morning, Mr. Glasser, that Mr. Gold wrote the name of the contractor down in the Daniel Ginsburg matter? A. That was the name of the firm in his little book.

Q. What is his little book? A. He had a little book.

Q. That's the only time he wrote anything down? A. That's the only time I saw him write anything down.

Q. Did you testify yesterday when these people, when these manufacturers gave you money, you put it in your pocket and then the next time that you saw Mr. Hoff or Mr. Gold or Mr. Lageoles, you took the money out of your pocket and you said, "Corinna," or "Schwartzbaum," something like that, is that correct? A. That is correct.

Q. You carried the money in your pocket until the next time you saw either Mr. Gold or Mr. Hoff or Mr. Lageoles? A. That would be a day or two at the most after I received the money.

(355)

Q. You kept it in your pocket? A. In my pocket.

Q. The same money? A. The same money as it was given to me.

Q. You didn't have a record what the money represented, is that correct? A. No record. Everything was done by memory.

Q. Do you remember testifying in the grand jury on June 6, 1972? A. Yes, I remember being at the grand jury on a second time. The date, you say is June 6th, I'll accept that.

Q. Do you remember being asked this question and giving this answer. Page 2, line 22, Mr. Sabetta.

"Q. Is there anything you wish to change regarding the



*Jack Glasser—for the Government—Cross*

testimony regarding Breslin Baker Company? A. Yes. You see, all of my testimony has been off the top of my head. It's from memory and after leaving the grand jury room here I sort of remember the date. I just want to correct the date as far as Baker is concerned." Do you remember hearing that question and giving that answer? A. Yes, I do.

Q. Did you have notes in front of you when you testified in the grand jury on April 27, 1972? (356) A. I had no notes whatsoever.

Q. Did you have any notes with you on June 6, 1972? A. No notes whatsoever.

Q. Did you have any notes with you yesterday in court? A. Yes, I did.

Q. Did you have any notes with you this morning? A. Yes, I did. You have them.

Q. Refer to Government Exhibit 3504A for identification. Are those the notes we are talking about? A. Yes, these are the notes.

Q. When did you prepare these notes? A. These were prepared during this week.

Q. During this week? A. Yes.

Q. What did you use to prepare these notes? A. I just put them all together from notes that I have here, scrambled all over, from this—you know, I put them so I wouldn't have to look all over the lot for them.

Q. And you are referring to Government Exhibit 3504 for identification? A. Yes.

Q. When did you prepare Government Exhibit 3504 for identification? (357) A. After my appearance before the grand jury.

Q. After your appearance? A. After my appearance so I would have a recollection of what I had testified to.

*Jack Glasser—for the Government—Cross*

Q. And these you prepared just last week? A. This last week. It's a—putting it all together on one sheet instead of having 25 sheets to look at.

Q. And those were not prepared during 1967, 1968, 1969 and 1970, is that correct? A. No, sir.

Q. Did you use any records when you were preparing these notes? A. Everything from memory.

Q. Everything from memory? A. Yes. My best recollection of events.

Q. Now, Mr. Glasser, directing your attention to the summer of 1970. A. The summer of 1970? Yes, sir.

Q. I believe you testified yesterday that you got sick some time during the summer, is that correct? A. That is correct.

Q. Do you recall approximately when you got sick? A. It was the night that I met with Mr. Stofsky and Mr. Gold at Tiffany's restaurant.

(358)

Mr. Abramowitz: May I have the last question read, please?

The Court: Read it back. (Question read.)

A. You gave a year.

Q. Summer of 1970, Mr. Glasser. Do you remember when you got sick in the summer of 1970? A. The same evening—the evening after—a few hours after the meeting I had with Mr. Stofsky and Mr. Gold in Tiffany's restaurant.

Q. Mr. Glasser, I think you are referring to that portion of your direct testimony that deals with April, 1972. I am referring you to the summer of 1970. A. I am sorry. I am sorry. Now I understand your question.

Q. Do you recall when you got sick? A. I went for an operation scheduled for, I think, September 2, 1970.

Q. September? A. I say the operation was scheduled. I entered the hospital the end of August, 1970.

*Jack Glasser—for the Government—Cross*

Q. The end of August? A. 1970.

Q. Do you recall in August of 1970 that there was (359) a big contracting catch at Sherman Bros.? A. In August of 1970?

Q. Yes. A. Not during the time that I was there, no. I don't recall any such thing.

Q. You don't? A. No, sir.

Q. Do you recall testifying in the grand jury that you had heard that there was a strike at Sherman Bros. in August of 1970? A. I haven't heard it. Mr. Sherman called me to tell me that.

Q. You said a strike—— A. He says, "My shop is out on strike." He called me at the hospital.

Q. Yesterday you said a floor worker was fired, is that what you heard? A. Not that I heard. Mr. Sherman told it to me on the telephone.

Q. Told it to you on the telephone? A. That the reason the shop is out was that "I fired my floor boy. He went down to the union and told them I was giving out contracting."

Q. Is it not a fact, Mr. Glasser, that Sherman Bros. (360) was not struck in August, 1970? A. I haven't got the slightest idea when he was struck.

Q. Do you know if he was struck in the summer of 1970? A. I don't know whether he was or not.

Q. Do you know whether it was simply that Sherman Bros. was caught contracting? A. I have no such ideas.

Q. No such ideas? A. No, sir.

Q. It's not in your notes, is it? A. No. You can look.

Q. Excuse me? A. I say, you may look if you please.

Q. You may look at them too, Mr. Glasser. A. No, because I know it's not there.

Q. Okay. Now, what did Mr. Sherman do after he was caught contracting in August, 1970, to your knowledge? A. I haven't got the slightest idea. I was in the hospital.

*Jack Glasser—for the Government—Cross*

Q. What did he tell you he did? A. What did he tell me when?

Q. In a telephone conversation you say you had with him (361) in the hospital. A. He called me up—this was one day before I was to go under this operation. He called me on the telephone. Where he got my number, I haven't got the slightest idea. He told me, to use his words, "I fired my floor boy. He went down to the union and told them, made a complaint that I was giving out contracting."

Q. What did you say to him? A. I said, and I am going to repeat it, "You drunken bastard," I said, "you had to fire the floor boy now when you know what you're doing, when you're giving out work, and he's the one that's taking it up and back for you," and that's what I said to him.

Q. So your protection doesn't cover that kind of a situation, is that correct? A. My protection?

Q. The protection—— A. I was not there.

Q. Mr. Sherman was paying you throughout the years for protection against that kind of things. A. I was not on the premises there.

Q. You were not there? A. I was not there. I was in the hospital.

(362)

Q. Would you have to be there in order to carry through the protection? A. Oh, it's been done, yes.

Q. You have to be there? A. Yes, it helps.

Q. You are the labor adjuster for the association, is that correct, and these firms are in your district? A. And then I would contact the proper people.

Q. Right. Do you know whether Mr. Sherman complained to Mr. Hoff, Mr. Gold, Mr. Lageoles about the fact that he got caught contracting? A. Do I know——

Q. After he has been paying protection? A. The answer is I don't know what he did.

Q. You don't know what he did? A. Not at all.



*Jack Glasser—for the Government—Cross*

Q. Were you told by any member of the association or your superiors at the association that Mr. Sherman complained to the association that he had been paying you money to protect against contracting? A. Yes, I was.

Q. Complained to the association? A. Yes, I was——

Q. Did anybody at the association tell you that he (363) had complained to the union that he had been paying for protection? A. No, sir.

Q. He complained to the association? A. To Mr. Greenberg.

Q. Right. And he told Mr. Greenberg that he had been paying Jack Glasser money, is that right? A. He had been paying Jack Glasser the money.

Q. Right, and he was mad because he got caught contracting, is that right? A. I don't know whether he was mad.

Q. You don't know whether he was mad? A. No, I don't.

Q. Why did he call you in the hospital, you are about to go into an operation, what did he say to you? A. Just what I repeated before.

Q. In a calm voice? A. No. His voice wasn't very calm.

Q. What did he say? A. "I fired my floor boy. The floor boy went down to the union and complained and told them that I was giving out work to contractors."

Q. Now, after Mr. Sherman complained to the association that he had been paying you money and therefore (364) shouldn't have gotten caught contracting, did anybody from the association talk to you about this? A. Mr. Greenberg.

Q. Mr. Greenberg. And what did he tell you? A. Told me that the firm complained that—had signed a statement that he had been paying off for contracting.

Q. Paying off who? A. Paying off to me.

*Jack Glasser—for the Government—Cross*

Q. To you. And what did Mr. Greenberg say? A. He wanted to know who I was dealing with in the union.

Q. And what did you tell him? A. I told him nothing.

Q. Nothing? A. Nothing at all.

Q. Did Mr. Greenberg talk to you about firing you?

A. Talk to me at that time about firing me? No, not at all.

Q. When did he talk to you about firing you? A. Never talked to me about firing me.

Q. Who talked to you about firing you? A. Nobody did.

Q. You weren't fired? (365) A. No, sir.

Q. You weren't fired. A. No, sir.

Q. You are sure? A. Well, I'm sure.

Mr. Abramowitz: May I have a minute, your Honor?

The Court: Yes. (Pause.)

Q. Do you remember testifying in the grand jury on April 27, 1972, Mr. Glasser? A. If that's the date, the date you gave me, I accept that.

Q. And do you remember giving this answer, page 36, line 6. Excuse me, line 9. "When the strike was pulled on them he screamed, referring to Sherman. He said what do you mean by pulling a strike on me. I have been paying off. And he said that to an association representative who, in turn, went back and told my employer what Sherman said. They went up to Sherman and he signed a statement, so I was told, I have never seen the statement, that he has been paying off for protection and that's why I was fired." Do you remember giving that— A. If it's there, I said it.

(366)

Q. And you were under oath then, weren't you, Mr. Glasser? A. That's correct.

Q. You now say you resigned from the association? A. No, I was retired from the association.

*Jack Glasser—for the Government—Cross*

Q. Voluntarily? A. Voluntarily? Yes, sir.

Q. Voluntarily retired? A. Voluntarily retired.

Q. Did Mr. Greenberg or Mr. Hecht during this time, August of 1970, after Mr. Sherman made a statement, tell you anything about your pension with the association? A. Oh, yes.

Q. What did they say? A. Well, about three weeks prior to me going in for my operation, the whole staff, everybody employed in the labor department, was called into Mr. Greenberg's private office and Mr. Greenberg stated that due to reduced revenues and reduced membership, two of you will have to leave the office. We cannot employ you all. We don't have enough members to employ you all. And I give you 48 hours, speaking to all of us there, to make up your minds amongst yourselves as to who it will be and if you don't do it, I will do it myself.  
(367)

Q. This was before the Sherman incident? A. Oh, yes. This is before the Sherman incident.

Q. Before you went to the hospital? A. And two or three weeks before I went to the hospital. And then he pulled out a slip of paper with my name on it and said to me, well, you will get X amount of dollars per month when and if you retire.

Q. You are saying that you retired—your retirement in the summer of 1970 had nothing whatever to do with the Sherman complaint? A. Oh, no. It had to do with a reduced income and reduced membership.

Q. You are sure of that? A. Well, the document that they sent me proves it.

Q. Do you have it? A. No, you have it.

Q. What document are you referring to? A. A document, a letter sent to me from the association telling me that as of September 1st, I'm on pension and that I am retired.

*Jack Glasser—for the Government—Cross*

Q. And that had nothing to do with Mr. Sherman's complaint to the association— A. Nothing whatsoever to do with that.

Q. Nothing? (367a) A. Nothing.

Q. Did there come a time when Mr. Greenberg and Mr. Hecht told you you were not going to get your pension, Mr. Glasser? A. Mr. Greenberg and Mr. Hecht never told it to me.

(368)

Q. Who told it to you? A. A letter that I got three or four or five weeks after I was on retirement and after I was on pension.

Q. Did you ever discuss it with Mr. Hecht or Mr. Greenberg? A. No, sir.

Q. Never? A. No, sir.

Q. You are sure? A. Positive.

Q. I direct your attention to August 24, 1970. Do you remember having a conversation with Mr. Greenberg or Mr. Hecht on that day? A. August 24?

Q. Yes. A. No, I do not.

Q. Do you remember having a conversation with either of them concerning your pension? A. No, I do not.

Q. Did you ever tell either of them that you felt that you deserved your pension? A. August 24?

Q. Yes. A. That date means nothing to me. I don't (369) recall any such conversation.

Q. Do you recall a conversation on a different day along those lines? A. No, sir.

Q. Mr. Glasser, is it not a fact that on August 24, 1970 you told Mr. Greenberg and Mr. Hecht, who were officers of the Association of Fur Manufacturers, that unless they gave you your pension you were going to go down to the union and sign a false statement that the union was involved in your little payoff scheme? A. Absolutely not.

Q. Absolutely not. A. Positively not.



*Jack Glasser—for the Government—Cross*

Mr. Abramowitz: Mark this as the next defendants' exhibit.

(Defendants' Exhibit F was marked for identification.)

Mr. Abramowitz: Mark this page Defendants' Exhibit F-1, please.

(Defendants' Exhibit F-1 was marked for identification.)

Q. Mr. Glasser, I show you what has been marked Defendants' Exhibit F-1 for identification and refer you to the bottom of the page and ask you to read the bottom (370) of the page, not out loud, and I ask you whether that refreshes your recollection about the conversation I just asked about? A. I don't even recognize the writing on this.

Q. I asked you to read it. A. I never saw this document before in my life.

Q. Okay. A. You want me to read—

Q. Read it to yourself, please. A. The lines that are marked in red? What lines do you want me to read?

Q. I will show it to you. Read what it says from, "Monday, August 24." A. "Jack Glasser"—

Q. Not out loud. A. I'm sorry. Go ahead.

Q. Does that refresh your recollection as to the fact that you did have a conversation with Mr. Greenberg and Mr. Hecht in which you said that unless you got your pension from the Association, you were going to go to the union and sign a false statement that they were involved in your payoff scheme? A. Never happened.  
(371)

Q. Never happened. Mr. Glasser, during the years that you were a representative of the Association of Fur Manufacturers, did there ever come a time when you ever gave any information of the Association's doings to representatives of the union? A. No, sir.

*Jack Glasser—for the Government—Cross*

Q. No? A. No, sir.

Q. Never? A. Never.

Mr. Abramowitz: I ask that this be marked the next defendants' exhibit.

(Defendants' Exhibit G was marked for identification.)

Q. Mr. Glasser, I show you what has been marked Defendants' Exhibit G for identification and ask you to look at them—there are a few pages there—then I will ask you whether you can identify those documents. A. I never saw those documents in my life.

Q. You are sure? A. Positive.

Q. Did you ever have conversation or conversations with Mr. Stofsky or Mr. Hoff about what the Association (372) was doing or planning? A. Never.

Q. Did you ever steal any documents from the Association and give them to Mr. Stofsky or Mr. Hoff? A. Never.

Q. You are sure of that? A. Positive.

Q. Mr. Glasser, directing your attention to March 7, 1972— A. March 7, '72?

Q. '72. Do you recall having a conversation with Mr. Civitano, who was a policeman? A. I don't recall the date March 7. I recall the conversations with Detective Civitano, yes.

Q. Do you recall what you said to him on that day? A. No. Not particularly, no.

Q. Do you recall whether Mr. Civitano asked you whether you ever had any problems with the Internal Revenue Service? A. That he asked me that?

Q. Yes. A. I don't recall it specifically, no.

Q. I show you what has been marked Government's (373) Exhibit 3507 for identification and direct your attention to the second page and the portion that is blocked out in red. I ask you to read it and ask you if your

*Jack Glasser—for the Government—Cross*

recollection is refreshed that you had such a conversation with Mr. Civitano? A. No, it does not refresh my recollection at all.

Q. You have no independent recollection that you had a conversation with Mr. Civitano about the Internal Revenue Service; is that your testimony? A. That is my testimony.

Q. Directing your attention to April 4, 1972. Did you have a conversation with Mr. Hinckley in the U. S. Attorney's office in this District? A. I had a conversation with Mr. Hinckley in the U. S. Attorney's office, yes.

Q. In that conversation did you tell Mr. Hinckley anything about what you testified to here yesterday and today on April 4? A. Is this before going to the grand jury?

Q. Yes. A. No, I didn't tell it to him in these details. He told me.

Q. Told you what? (374) A. He mentioned various things that he had information about.

Q. Isn't it a fact that he told you that he had information that certain manufacturers were giving you money? A. Never told it to me at all.

Q. Did he mention Mr. Sherman? A. Oh, he mentioned that, yes.

Q. Did he mention Mr. Hessel? A. Yes, he mentioned that.

Q. Did he mention Mr. Baker? A. He certainly did.

Q. Did he mention Mr. Ginsburg? A. He did.

Q. Mr. Schwartzbaum? A. He did.

Q. Mr. Cohen? A. He did.

Q. Did you tell him at that time that any money went to Mr. Stofsky, Mr. Hoff, Mr. Gold or Mr. Lageoles or anybody else in the union? A. At that particular time?

Q. That particular time. A. I believe I did.

(375)

Q. You believe you did? A. I'm not sure. I don't know.

*Jack Glasser—for the Government—Cross*

Q. But you believe you did? A. I believe I did, but I'm not sure.

Q. I show you what has been marked Government's Exhibit 3506 for identification and direct your attention to the entire document and ask you to read it and see if it refreshes your recollection. A. Yes, I remember this.

Q. Did you tell Mr. Hinckley or anyone present at that meeting that any moneys went from you to either Mr. Stofsky, Mr. Hoff, Mr. Gold or Mr. Lageoles? A. No, I did not.

Q. You testified this morning that you received the subpoena from Mr. Hinckley on August 4, 1972; is that correct? A. April.

Q. Excuse me, you are right, April 4, 1972. And Government's Exhibit 9 is that subpoena; is that correct? A. That is correct.

Q. And it calls for your appearance, does it not, before a grand jury on April 6, 1972; is that correct? A. Yes, sir. (376)

Q. In the conversation of April 4 isn't it a fact that you asked Mr. Hinckley for immunity from prosecution before you would tell him anything further about the matters that he was interested in; is that correct? A. I asked Mr. Hinckley for immunity if I told the whole story, the truth about the story, yes.

Q. And you asked him that before you told him the story about the union; is that correct? A. That is correct.

Q. Before? A. That's correct.

Q. Did Mr. Hinckley tell you that he would get immunity for you? A. He said he would.

Q. He would? A. Yes, sir.

Q. On that day, April 4? A. He said he would grant—he would get me immunity.

Q. Before you told him anything about Mr. Stofsky, Mr. Hoff, Mr. Gold or Mr. Lageoles? A. That's correct.

\* \* \* \* \*



*Jack Glasser—for the Government—Cross*

(379) \* \* \*

Q. You testified this morning, did you not, that you had a conversation with Mr. Stofsky on April 4, 1972 after your conversation with Mr. Hinckley on that day; is that correct? A. Well, Mr. Abramowitz, if you let me have my notes so that I could look at them, I will be able to correlate dates.

(380)

Q. They are right in front of you, Mr. Glasser. A. Now, would you repeat your question, please?

Mr. Abramowitz: Would you read the question?

(Question read.)

A. Yes.

Q. Where did that conversation take place? A. At the Hotel New Yorker.

Q. Who was present? A. Just Mr. Stofsky.

Q. Mr. Glasser, I suggest you look at your notes again. I think you got the meetings confused. A. Well, it may be there were a lot of meetings.

Q. Look at your notes. A. That would be the fourth meeting, at Tiffany's restaurant.

Q. Who was present? A. Mr. Stofsky and Mr. Gold.

Q. Did you tell Mr. Stofsky or Mr. Gold that Mr. Hinckley had promised to give you immunity and was going to give you immunity on April 6, 1972? A. I believe I did.

Q. You believe you did? A. Yes.

Q. Did you explain to Mr. Stofsky what immunity was?

(381) A. I think Mr. Stofsky knows what immunity is.

Q. Did you have a discussion about the Fifth Amendment, did you say this morning, with Mr. Stofsky? A. I had no discussion; he suggested I take the Fifth.

Q. Could you take the Fifth if you have immunity, Mr. Glasser? A. Can I?

*Jack Glasser—for the Government—Cross*

Q. Yes. A. I wouldn't know that.

Q. You don't know? A. I say I wouldn't know.

Q. What does immunity mean? A. Immunity?

Q. Yes. A. It means that I cannot be prosecuted for any testimony that I give, outside of perjury.

Q. Also, it means that you cannot refuse to testify? Is that correct? A. I guess it does mean that. I am not a lawyer.

Q. That means you cannot take the Fifth if you have immunity? A. Well, I guess I can't.

Q. And you say that Mr. Stofsky told you that you (382) should take the Fifth Amendment? A. He says, "Take the Fifth on questions that they ask you."

Q. And you told him prior to saying that that you were going to get immunity? A. I indicated to him that—this is before getting it—I hadn't gotten it yet.

Q. Mr. Hinckley said he was going to give it to you?

A. That is correct, but I didn't believe Mr. Hinckley.

Q. You didn't believe Mr. Hinckley? A. No, I didn't.

Q. Was there anything Mr. Hinckley said to you that would cause you not to believe Mr. Hinckley? A. I had no attorney present and I wanted a lawyer there to advise me of my rights.

Q. And you went to Mr. Stofsky and you asked him to get you a lawyer? Is that right? A. That is correct.

Q. Do you know whether Mr. Hammer, Arthur Hammer, who you say came down to Mr. Hinckley's office the next day, was retained by the union? A. I have no idea who retained him.

Q. Did he act in your interest, Mr. Glasser? (383) A. On that one occasion.

Q. Yes? A. He went down to get a postponement.

Q. He acted as your attorney? Is that correct? A. I presume he did; I didn't engage him.

Q. Mr. Hammer, not to be confused with Mr. Camer, do

*Jack Glasser—for the Government—Cross*

you know whether he is associated in any way with Mr. Camer? A. I have no idea of that.

Q. Do you know whether he is a union lawyer? A. No idea whatsoever what he is.

Q. And he sent you a bill, Mr. Hammer did? A. Some time later.

Q. And you never paid that bill? A. Never paid that bill.

Q. Never paid it? A. Never, because I didn't engage him.

Q. But you asked Mr. Stofsky to recommend a lawyer to you, didn't you? A. To get me a lawyer.

Q. To recommend a lawyer? A. To recommend a lawyer.

Q. You asked Mr. Stofsky to do that? A. Yes, I did.

(384)

Q. You also said this morning that you had some conversation with Mr. Stofsky and Mr. Gold about your pension, your industry pension. A. Not with Mr. Gold. Mr. Gold had nothing to do with this. Mr. Stofsky directly.

Q. Where was Mr. Gold? A. Sitting there, but he just sat there and said nothing.

Q. What pension were you talking about? A. The industry pension.

Q. Tell the court and jury what the industry pension is. A. Well, there is a pension paid to people who participate in the plan who are in the fur trade, not necessarily a fur worker.

Q. For everybody in the industry? A. Not everybody, only those that are part of it. In other words, moneys are paid in by your firm and you now participate in the plan.

Q. That is a different pension from the association pension? Is that correct? A. Oh, yes, yes.

Q. Does the union participate in the industry pension in any way? (385) A. Oh, sure, sure, they are part of it.

*Jack Glasser—for the Government—Cross*

Q. Does the union participate in any way in the association pension? A. Not at all, nothing whatsoever.

Q. But the conversation that you had with Mr. Stofsky on April 4, 1972, dealt with the industry pension? Is that correct? A. That is correct.

Q. What did Mr. Stofsky tell you about pension? A. That he would facilitate me getting it; I would not have to appear before the committee that one always must appear before getting his pension.

Q. Isn't that pension automatic, Mr. Glasser? A. No, sir, it is not.

Q. It is not automatic? A. No, it is not.

Q. Were you at all uncertain on April 4, 1972, that you were going to get the industry pension? A. Yes, I was uncertain.

Q. I show you Government's Exhibit 8, Mr. Glasser, and ask you to look at that document. A. Yes.

Q. I ask you to look at the date of that document. A. Yes, I see the date.

(386)

Q. Could you tell us what the date is? A. October 11, 1971.

Q. I ask you to look at Government's Exhibit 7 and ask you to look at the date of that. Could you tell us what the date is? A. May 14, 1971.

Q. Is it not a fact, Mr. Glasser, that as of October 15, 1971, six months before your conversation with Mr. Stofsky, your pension, industry pension, was approved? A. Mr. Abramowitz—

Q. Just answer the question.

Mr. Sabetta: Your Honor, he is trying to answer the question. Counsel should not cut him off.

The Court: Let him answer the question.

Mr. Abramowitz: I didn't think the answer was going to be responsive.



*Jack Glasser—for the Government—Cross*

A. Mr. Abramowitz, Mr. Greenberg was with the association and he was a trustee of that pension fund. I was never sure that I would ever get it.

Q. You got a letter on October 15, 1971, that says you got it. A. Mr. Abramowitz, I got a letter from the association September 1, 1971, telling me I had a pension, and I never (387) got it.

Q. Were you talking to Mr. Stofsky about the association pension or the industry pension? A. The industry pension.

Q. Isn't it a fact that you were getting the industry pension in 1972? A. That I would get it?

Q. That you would get it? It was all approved six months before April 4, 1972? A. Mr. Abramowitz, as long as Mr. Greenberg was there I never was sure of anything.

Q. Was Mr. Greenberg there? A. I don't know.

Q. Did you ask Mr. Stofsky if Mr. Greenberg was there?

A. I never asked Mr. Stofsky if Mr. Greenberg was anywhere.

Mr. Abramowitz: I would like 7 and 8 to be passed to the jury.

The Court: They are in evidence, yes. (Government's Exhibits 7 and 8 given to the jury.)

Q. What could Mr. Greenberg have done with respect to the industry pension to prevent you getting it? The (388) industry pension I am talking about. A. He could prevent me from getting it.

How? A. He was a trustee.

Q. Yes. What could he do? A. Just not give it to me.

Q. Just not give it to you? A. Yes.

Q. Who else is trustee? A. Mr. Hecht, I believe. I don't know who the trustees are. I know Mr. Greenberg was a trustee.

*Jack Glasser—for the Government—Cross*

Q. You don't know who else? A. I believe Mr. Stofsky is trustee, but that is all. I just don't know for sure.

Q. You were not at all on notice that this pension had been approved and was automatic? A. No, sir.

Q. When did you start receiving the industry pension? A. I believe it was in May, 1972, I believe I got my first check April or May, 1972.

Q. When is your birthday, Mr. Glasser? A. May 21st.

Q. 19— A. Well, 1972.

(389)

Q. When were you 65? A. I was 65 in 1971.

Q. 1971? A. Well, let me get my dates straight.

Q. Sure, take your time. A. 1972.

Q. 1972? A. Yes.

Mr. Abramowitz: Your Honor, I have finished another segment of what I wanted to cover. If we take a recess earlier, we can come back earlier.

The Court: You say you were 65 on what date?

The Witness: May 21, 1972.

Q. When were you born? A. No, 1971. I was born in 1906.

Q. So it was in 1971 that you became 65? A. Yes.

\* \* \* \* \*

(393) \* \* \*

Q. Mr. Glasser, I show you Government's Exhibit 3504 and 3504A which you said were your notes that you prepared in your own, is that correct? A. That is correct.

Q. And you prepared them—with respect to 3504, you prepared them before testifying in the grand jury? (394) A. No, sir.

Q. When did you prepare them? A. After the testimony before the grand jury.

Q. After the testimony. And with respect to 3504A, when did you prepare those? A. Just recently. Getting

*Jack Glasser—for the Government—Cross*

all these things together, whatever I thought I needed.

Q. Try to keep your voice up. I realize I am standing here but try to keep your voice up.

Some of these notes are in different color inks, do you notice that?

The Court: Referring to?

Mr. Abramowitz: 3504.

A. It could be different colored inks, yes.

Q. Do you remember now that you prepared these notes at different times or did you prepare them all at one time?

A. No, at one time. The pen ran dry and I took another pen.

Q. It was after you testified before the grand jury?

A. Yes.

Q. You are absolutely sure of that? A. Positive.

Q. Did you have any notes with you in the grand jury (395) when you testified? A. No, sir, I did not.

Q. You are sure of that? A. Positive.

Q. Positive? A. Yes.

Q. Do you remember testifying in the grand jury on April 27, 1972? A. If you give that date, I mean, I just don't have the date. If you say it, I'll accept that date.

Q. Do you remember being asked this question and giving this answer under oath, page 35, line 1.

"Q. Just for the record, you have a slip of paper there that you referred to during the questioning. A. Yes.

"Q. Was that notes that you made? A. This is notes that I made to refresh my memory because I have been out of the industry now for two years and I stood up all night last night actually going over this thing in my mind and making notes to refresh my memory."

Do you remember being asked that question and giving that answer? A. That refreshes my memory.

(396)

*Jack Glasser—for the Government—Cross*

Q. You did have the notes in the grand jury? A. Yes, I did. That refreshes my memory.

Q. Does it refresh your recollection as to when you prepared the notes? A. It must have been a day or two before I appeared before the grand jury.

Q. Is it your testimony that the different colored inks on 3504 was because your pen or pens ran dry the night before the grand jury? A. It is possible that that's what happened. I just don't know right now. I couldn't be sure. It could have happened.

Q. You are sure that you didn't add things later on? A. No, I didn't add things later on.

\* \* \* \* \*

(400) \* \* \*

Q. Mr. Glasser, directing your attention to April 4, 1972, and your meeting with Mr. Stofsky, I believe you testified earlier this afternoon that you were concerned about Mr. Greenberg's position with respect to the industry pension, you were afraid what Mr. Greenberg might do? A. That's right.

Q. And you do remember discussing that with Mr. Stofsky? A. About what Mr. Greenberg might do?

Q. Yes. A. I never said that.

Q. Was that why you were concerned that you were not going to get your industry pension? A. Mr. Abramowitz, while Mr. Greenberg was in the industry either employed or just in the industry, I wasn't sure I would get anything.

Q. You said he was a trustee of the pension, is that correct? A. That's correct.

Q. And to that extent you said that he had some (401) control over the granting of the pension to you, is that correct? A. I believe he did.

Q. Do you know when he retired from the association? A. I have no idea when he retired. No, I don't.



*Jack Glasser—for the Government—Cross*

Q. Do you have any idea when he ceased being a trustee of the industry pension fund? A. I have no idea.

Q. No idea? A. None whatsoever.

Q. If I told you that Mr. Greenberg retired in June, 1971, would that refresh your recollection as to whether you were concerned about Mr. Greenberg and the industry pension? A. Yes, it would.

Q. It would? A. It would.

Q. So you still—were you concerned about Mr. Greenberg? A. I would be concerned today if he was still around here.

Q. You are getting a pension, aren't you? A. Yes.

Q. You started to get it in 1972 when you became (402) eligible for it, is that correct? A. I became eligible the year before that.

Q. The year before that? A. I was 65 the year before that.

Q. You are sure of that? A. Yes, in 1971, I was 65.

Q. Are you sure there is no requirement that you be out of the industry for a certain period of time before the pension comes in? A. Mr. Abramowitz, there is that requirement but it has been waived on occasion.

Q. It has? A. It has.

(403)

Q. It wasn't waived in your face? A. It was not.

Q. You wanted it waived? A. I thought I could get it waived. I asked to try to get it waived, yes.

Q. What happened? A. It was not waived.

Q. When did you ask that it be waived? A. Just as I became 65. I says, "I think I am entitled to get my pension now."

Q. In 1971; is that right? A. Yes.

Q. We are talking about April 4, 1972 and your supposed concern in your conversation with Mr. Stofsky about your Industry pension. Do you understand that? A. Yes, I do.

*Jack Glasser—for the Government—Cross*

Q. Do you want to change your testimony at all? A. No, I don't.

Q. You don't? A. I'm still concerned today that if he's alive, I'll lose my pension.

Q. 1974? A. In 1974.

(404)

Q. You have been getting your pension since 1972 without interruption; is that correct? A. That is correct.

Q. And you are still concerned that Mr. Greenberg is going to take it away from you? A. That's correct.

Q. All right. Mr. Greenberg had no part of the union, did he? Mr. Greenberg was not a part of the union, was he? A. I wouldn't know that.

Q. What was Mr. Greenberg's position? A. Executive director of the Association.

Q. Of? A. The Fur Manufacturers Association.

Q. Manufacturers. He was not manager of the union? A. Manager of the Union?

Q. Right. A. No.

Q. Was he an assistant manager of the union? A. No.

Q. Was he a business agent for the union? A. No.

Q. Was he paid by the union? (405) A. Salary?

Q. Salary. A. No.

Q. You are still afraid of Mr. Greenberg? A. To my dying day I will be afraid of him.

Mr. Sabetta: That question has been asked. Objection.

Q. Mr. Glasser, what was your salary from the Association in 1970? A. After working 34 years my salary was \$225 a week.

Q. What was your salary in 1969 from the Association? A. Probably the same. I don't know for sure now. You are asking me—I just don't know. Probably the same.

Q. 1968? A. Mr. Abramowitz, it never was a lot.

*Jack Glasser—for the Government—Cross*

Q. If I told you that your salary from 1967 to 1970 ranged from \$190 to \$225, would that be— A. That would be correct.

Q. Would that be correct? A. That would be correct.

Q. Do you recall what your salary was when you (406) started with the Association 34 years ago? A. Many, many years ago?

Q. Yes. A. I can definitely recall it.

Q. What was it? A. \$15 a week.

Q. \$15 a week? A. 15.

Q. Could you live on \$15 a week in the '30s? A. I lived like a king.

Q. You lived like a king? A. Like a king.

Q. How did you live like a king? A. I will explain it to you, Mr. Abramowitz.

Q. I will be glad to hear it, Mr. Glasser. A. Then I will tell it to you.

Q. Thank you.

The Court: Let's move on with this. Please, move along, Counselor.

Q. Did you have another job? A. Another job?

Q. Yes. A. No, I never had another job.

Q. Another salary? (407) A. Another salary?

Q. Yes. A. No, sir.

Mr. Abramowitz: Mark this as the next defendants' exhibit.

(Defendants' Exhibit H was marked for identification.)

Q. Mr. Glasser, I show you what has been marked Defendants' Exhibit H and ask you whether you can identify it? A. Yes, this is my 1972 income tax return.

Q. Is it your signature on the bottom of the line? A. No, it is the signature of the accountant that filled it out.

*Jack Glasser—for the Government—Cross*

Q. What was the name of the accountant; do you remember? A. I believe it was Feldman, but I just don't remember.

Mr. Abramowitz: Mark this page Defendants' Exhibit H-1 for identification.

(Defendants' Exhibit H-1 was marked for identification.)

Q. Mr. Glasser, I show you the reverse side of Defendants' Exhibit H-1 for identification, the top (408) portion of the income tax return that deals with interest income, and ask you to look at it. Do you see it? A. Yes.

Mr. Abramowitz: I offer this exhibit into evidence.

The Court: Which exhibit?

Mr. Abramowitz: Exhibit H and H-1.

(Pause.)

Mr. Sabetta: We have no objection, your Honor.

The Court: All right, received.

(Defendants' Exhibits H and H-1 for identification were received in evidence.)

Q. Mr. Glasser, is it not a fact that on your 1972 return—incidentally, when did you file that return, to the best of your recollection? A. Whatever date it was marked on the return. It was filed by an accountant.

Q. Some time in 1973? A. Whatever date he has on it. Before April 15. That was for sure.

Q. I refer you to the date. Does that refresh your recollection? A. Yes.

(409)

Q. What is the date? A. March 25, 1973.

Q. In 1972, Mr. Glasser, did you receive interest income from the First Federal Savings Bank in one account



*Jack Glasser—for the Government—Cross*

in the amount of \$261? A. Mr. Abramowitz, any amounts marked on this tax form is the interest that I received from the various accounts marked there. Everything was received.

Q. You have three accounts at the First Federal Savings Bank and you received interest income of \$261; is that correct? A. Whatever is marked there is correct.

Q. And there is another account, the Williamsburgh Savings Bank—two accounts at the Williamsburgh Savings Bank at which you received \$719 in interest? A. That is correct.

Q. And one other account at the Williamsburgh Savings Bank at which you received \$694 in interest? A. That is correct.

Q. You have an account at the East New York Savings Bank which you received interest in the amount of \$854? A. That is correct.

Q. The East New York Savings Bank, another account (410) in which you received interest in the amount of \$418? A. That is correct, sir.

Q. The East New York Savings Bank, another account in which you received interest of \$1062? A. That is correct.

Q. And another East New York Savings Bank account which you received interest of \$886; is that correct? A. That's correct.

Q. Do you know what the total interest income that you reported in 1972 amounts to? A. Whatever is on this form.

Q. If I told you it says right here \$6151, would that refresh your recollection? A. That's exactly what I paid—what I got.

Q. From savings banks? A. From savings banks.

Q. Do you know what per cent interest was paid by those accounts that I read? A. Do I know?

Q. Yes. A. No, I don't.

*Jack Glasser—for the Government—Cross*

Q. Is it somewhere between 5 and 7 per cent? A. I would say that's fair.

Q. How much cash did you have in all your savings (411) banks in 1972? A. Mr. Abramowitz, this is a joint return.

Q. How much cash was in those accounts that you reported in 1972? How much cash? A. I wouldn't know offhand.

Q. Would you say it is over \$100,000? A. I would.

Q. You would? A. I would.

Q. Would you say it is around \$120,000? A. Possibly.

Q. Also on Exhibit H-1 in evidence there is a listing of dividend income; is that correct? A. That is correct.

Q. They represent stocks that you or your wife owned? A. That is correct.

Q. You received \$820 in a stock called Foremost McKesson? A. That's correct.

Q. That is dividend income? A. That is correct.

Q. You received \$20 in dividends from Consolidated REF? (412) A. Refining, Consolidated Refining.

Q. You received \$40 in dividend income from a stock called Grow Chemical Corp.? A. That is correct.

Q. You received \$204 from stock in RCA? A. That is correct.

Q. You received \$108 from Ampco Pittsburgh? A. That is correct.

Q. You received \$60 in income, dividend income, from American Waterworks; is that correct? A. That is correct, sir.

Q. You received \$106 in dividend income in City Investing Company? A. That is correct, sir.

Q. How many shares of Foremost McKesson did you own in 1972? A. 1000 shares.

Q. What was the average market value in 1972? A. \$11 a share.

*Jack Glasser—for the Government—Cross*

Q. \$11 a share? A. Yes.

Q. It paid a dividend of \$820? A. That's exactly what it pays.

Q. How many shares of Consolidated Refining did you (413) have? A. 100 shares.

Q. What was the fair market value in 1972? A. \$8 a share.

Q. You had Grow Chemical. How many shares of stock did you have? A. About 200—well, I have 204 now. In 1972 I had about 104.

Q. RCA, how many shares? A. 200.

Q. What was— A. 201, whatever it is.

Q. What was the fair market value of your RCA stock? A. \$18 a share.

Q. You had 200 shares? A. 200 shares.

Q. What was the fair market value of your Ampco Pittsburgh stock in 1972? A. \$7 a share.

Q. How many shares of that did you have? A. 300.

Q. How many shares of American Waterworks did you have in 1972? (414) A. 100.

Q. What was the fair market value of that? A. \$10 a share.

Q. How many shares of City Investing did you have? A. 200.

Q. What was the fair market value in 1972? A. About 410 a share.

Q. Can you give us your best estimate as to [how] much all your stock was worth that belonged to you and your wife in 1972? A. I would guess about \$17 or \$18,000.

Q. In addition to the over \$100,000 in cash in the savings banks? A. That is correct.

Q. Did you have a salary in 1972? A. A salary? No, I had no salary since 1970.

Q. What other income besides the interest income and the dividend income that you reported did you have in

*Jack Glasser—for the Government—Cross*

1972? A. Well, I had my Social Security check and my pension check from the Fur Industry.

Q. So that in 1972 you were living off interest from savings banks, dividends from stocks and the pension; is that right? (415) A. That is correct.

Q. When did you receive the \$120,000 that you put into the savings banks? A. When did I receive it?

Q. Yes. A. I never received it.

Q. When did your wife receive it? A. Well, my wife happened to be the furrier—a daughter of one of the leading fur manufacturers of the 1930s and 1940s. We were married in 1934. For the first ten years of our married life we lived with our in-laws, my father-in-law and my mother-in-law. They paid for everything, rent, food and clothing. My father-in-law passed away in 1940. He left an estate. Part of it went to my wife. My mother-in-law passed away in 1944. She left an estate. Part of that estate went to my wife. Most of that money belongs to my wife.

Q. In a joint account? A. In a joint account.

Q. All these accounts are joint accounts; is that right?

A. All joint accounts.

Q. Did you receive a subpoena served by the defendant (416) before this trial started? A. I received something in Miami.

Q. Yes. A. Yes, sure.

Q. You are living in Miami now, aren't you? A. Yes, sure.

Q. How long are you living there? A. Since September 17.

Mr. Abramowitz: Will you mark this for identification.

(Defendants' Exhibit I was marked for identification.)



*Jack Glasser—for the Government—Cross*

Q. I show you Defendants' Exhibit I for identification and ask you whether that is a copy of the subpoena that was served on you prior to this trial by the defendants.  
A. Yes, sir, this is it.

Q. The return date on this subpoena—you can identify it as a copy of what you got? A. Yes, this is the subpoena I got.

Mr. Abramowitz: I offer it in evidence.

Mr. Sabetta: No objection.

The Court: Received.

(Defendants' Exhibit I for identification was (417) received in evidence.)

Q. Mr. Glasser, the subpoena required you to bring to court prior to the trial, in part, all copies of your Federal tax returns for the period 1967 to 1972. Do you remember seeing that? A. Oh, sure I saw it.

Q. Did you bring to court your tax returns other than 1972? A. I brought just 1972 because that's the only tax return I had.

Q. What happened to your tax return for 1967? A. Mr. Abramowitz, when one moves from New York to Miami, you pay by weight. I got rid of everything that I had no use for, threw it out.

Q. Threw out your tax return? A. Everything.

Q. Very heavy? A. Everything.

Q. You threw out your 1968 tax return? A. Everything.

Q. You threw out your 1969 tax return? A. Everything.

Q. And your 1971 return? A. Yes, sir.

(418)

Q. Threw it out? A. Threw it out.

Q. It also asks for a list of names and addresses of all banks with whom you had an account or transacted any business for the period 1967-1972, including records of

*Jack Glasser—for the Government—Cross*

accounts in said banks, including bank statements, canceled checks, checkbooks, deposit slips, passbooks, and safety-deposit boxes. Do you remember seeing that? A. Yes.

Q. Do you have any of that information? A. I don't have anything at all on that. Everything went when I moved.

Q. You're telling this Court and jury that you threw out bankbooks? A. Everything.

Q. Canceled checks? A. Everything that had weight to it.

Q. Bankbooks have a lot of weight? A. Oh, yes.

Q. Very heavy? A. Oh, definitely.

Q. They take up a lot of space? A. Well, you have the bankbooks there—my bank (419) records.

Q. Where? A. Right in front of you.

Q. Where? A. The interest. You know what banks I had my money in right there.

Q. From your '72 return, which was the only document you furnished pursuant to the subpoena? A. That is the only one I have.

Q. But you don't have any bankbooks? A. I have bankbooks.

Q. You have? You do have bankbooks? A. Of course.

Q. You see where the subpoena calls for production of bankbooks? A. I have a bank account in Miami.

Q. One? A. One savings account in Miami Beach.

Q. That is all you have? A. That is all.

Q. How much money is in there? A. We have one account for \$5000 and one for \$25,000.

Q. Where is the rest of the \$100,000? (420) A. My wife has her money.

Q. You told me that it was a joint account? A. That is right.

Q. Where are those books? A. We have no books.

Q. No bankbooks for the \$100,000? A. No, sir.

*Jack Glasser—for the Government—Cross*

Q. Do you recall now whether you reported your interest income earned by your wife and yourself on your tax return in 1971? A. Interest income? Mr. Abramowitz, we have reported every nickel that we ever got in interest or otherwise.

Q. Since 1940? A. Every nickel.

Q. When you got all this money from your wife— A. I didn't get money; my wife got money.

Q. In joint accounts? A. No, that was her money.

Q. You testified that they are in joint accounts? A. Now.

Q. Now? When did they go into joint accounts? A. I have no recollection. Some time ago, a long time ago. (421)

Q. How long? A. I don't know. Maybe 20 years ago, maybe more.

Q. It is your testimony that you reported all the interest income on your income tax returns for 1967 until at least 1971? A. Positively.

Q. And you were drawing out the interest during those years? Is that right? A. Drawing out the interest? I didn't say that.

Q. Or earning the interest? A. The bank sends you a report and you must report it to the Federal Government.

Q. Did your wife work during the years you worked for the Association? A. My wife has never worked one day in her life.

Q. Did you live on your salary during those years? A. Well, the first ten years we didn't pay a nickel in rent, food, lodging, utilities; that was paid for by my in-laws. After they passed away we paid the rent, we paid everything else.

Q. When? In 1940? A. No, my father-in-law passed away in 1940; my mother-in-law, in 1944.

Q. Did you live on your salary, Mr. Glasser, from (422) 1950 to 1970? A. We managed every way to put away a part of our earnings every year without fail.

*Jack Glasser—for the Government—Cross*

Q. That was based on your salary of \$150 a week? A. Mr. Abramowitz, if I earned a dollar we saved a quarter every year without fail.

Q. Did you report on your tax returns the money that you testified here that you got from these manufacturers?

A. I don't recall if I did or I didn't.

Q. You don't recall? A. I don't recall if I did I didn't.

Q. And you threw away your tax returns? A. I did.

Q. How much money did you make outside your salary with reference to the money from these manufacturers in 1967? What is the total amount that you got? A. I can only answer this in one way, that the whole shooting works amounted to about 15 or 16,000 dollars, that is, in total.

Q. That you got? A. No, no, in total.

Q. From when to when? A. From '67 to the end of '69.  
(423)

Q. So that is about \$4000 a year? A. Roughly that would be about the figure.

Q. What did you do with the money? A. The money?

Q. Yes. A. It was paid out the way I stated.

Q. What did you do with your share? A. Put it in my pocket.

Q. Did you put it in the bank? A. We spent that money.

Q. You spent that money? A. Oh, yes.

Q. How much rent are you paying now in Miami Beach? A. \$390 a month.

Q. How long have you been living in Miami Beach? A. Since September 17, 1973.

Q. Where is the rent coming from? A. We have a boarder. We have a two-bedroom apartment. One bedroom my wife and I use; one bedroom we have rented out for this season for \$2500, so we make part of our rent back that way.

Q. So the cash stays in the bank? You don't have to



*Jack Glasser—for the Government—Cross*

withdraw your cash? A. We cannot live on what I get from Social (424) Security; it cost a lot of money to live in Miami.

Q. I know it does. A. I do, too.

Q. Mr. Glasser, with all this money in joint accounts and all this money in the stockmarket, you are still a little bitter, are you not, about not receiving your Association pension?

Mr. Abramowitz: Will you repeat the question.  
(Question read.)

A. Am I still a little bitter about it? I certainly am bitter.

Q. More than a little? A. I am more than a little bitter.

Q. How much did that pension amount to? A. I'm ashamed to tell you, but I will.

Q. Please? A. \$127 a month after working 34 years.

Q. For the Association? A. For the prestigious Fur Manufacturers.

Q. You really have a bit of a grudge against the Association of Fur Manufacturers? Is that correct? A. A grudge? No, I don't have a grudge.

Q. You don't have a grudge? A. No.

(425)

Q. Do you have a grudge against the union? A. Definitely not.

Q. Definitely not? They are part of the fur industry, are they not? A. They are part of the fur industry.

Q. You don't have any grudge at all against them? A. None whatsoever; none at all.

Q. Do you think the union can do anything at all to help you get your association pension? A. Now?

Q. Yes. A. I doubt out.

*Jack Glasser—for the Government—Redirect*

Q. Did you think they could have done something for you in 1970? A. I thought possibly they could.

Q. And they didn't. A. They didn't.

Q. And you're not unhappy about that? A. About the union——

Q. —not helping you? A. Not at all.

Q. You are not unhappy about that? A. Not a bit unhappy.

Q. But you thought they could have helped you? (426)  
A. I thought they possibly could have.

Q. Mr. Glasser, is it not a fact that every red cent that you talked about yesterday you pocketed? A. No, it is not a fact.

Q. Is it not a fact that you implicated the union in this scheme of yours only after you received immunity without telling the Government what you were going to say? A. No, sir, it is not a fact.

Q. You testified just about a half hour ago that you got immunity or the offer of immunity before you told them anything about the union? A. I got immunity, but I did not believe it until I had my attorney stand in front of the judge and I heard it with my own ears.

Q. Then you implicated the union? A. I didn't implicate anybody. I just told the truth as I remember it.

Q. Then and now? A. Then and now.

Mr. Abramowitz: I have no further questions.  
The Court: Redirect?

Redirect examination by Mr. Sabetta:

\* \* \* \* \*

(430)

Q. Now, what role did Mr. Hoff play once a complaint was filed for contracting? A. I couldn't answer what role he played. I don't know.

*Jack Glasser—for the Government—Redirect*

Q. Was there ever a time when you asked him to play a role after a complaint had been filed? A. Oh, sure.

Q. And so far as you know, did he take any action on any of those occasions? A. I would tell him sometimes if it was one of the firms that was involved in one of these deals, to either handle it himself or forget about it, or don't put it on (431) the calendar, let it die, words to that effect.

Q. Who, in fact, calendered cases for, let's call them trials, quasi-trials, before the impartial chairman? Whose duty was that? A. Only the union.

Q. So if the union chose not to calendar a matter, it would never get to the impartial chairman? A. That is correct.

Q. Do you know whether Mr. Hoff had any role in that matter in those concerns with respect to the calendaring before the impartial chairman? A. He would have a role, but he would not have the only role.

Q. But he was during this period the assistant manager? A. He was.

(434) \* \* \*

Q. Mr. Abramowitz asked you specifically with respect to Schwartzbaum Furs, whether you were aware of the fact the union had struck that firm, do you remember that question? A. Yes, I did.

Q. Do you recall whether or not that strike occurred before or after Mr. Schwartzbaum began making payoffs? A. My best recollection is it was before.

Q. That is, the strike occurred before the payoffs (435) began, is that right? A. Yes, but it was not only against Mr. Schwartzbaum. It was a general thing for anybody that was importing furs while lots of union workers were out of work and out on the streets. And they were trying to get jobs for their workers.

\* \* \* \* \*

*Jack Glasser—for the Government—Redirect*

Q. Now, with respect to the question asked by Mr. Abramowitz about whether Mr. Stofsky got you a lawyer or recommended a lawyer for you, did you in fact ever call Mr. Camer? A. Did I in fact?

Q. Yes. A. Never.

Q. Did you ever call Mr. Hammer? A. Never.

Q. Did you ever pay either one of those gentlemen (436) any money? A. No, sir.

Q. Now, Mr. Glasser, Mr. Abramowitz asked you about a meeting that you supposedly had had or he asked you whether you, in fact, had a meeting with Mr. Hecht on August 24, 1970, I believe it was. May I have F, please. F-1. Do you recall that question? A. Yes, I do.

Q. And do you recall whether you ever did meet with Mr. Hecht on August 24, 1970?

Mr. Abramowitz: I think it was asked and answered, your Honor. He said he didn't.

The Court: Overruled.

A. On August 24th, I was still employed by the association as a regular fulltime employee. I had no meetings with him about anything.

Q. Well, did you ever meet with Mr. Hecht at any time wherein you said to him that you were going to go down to the union and sign a false statement that Mr. Greenberg had offered you \$15,000 as a bribe to say that the union covered up the contracting for Sherman? A. That never took place.

Q. Mr. Greenberg never offered you a \$15,000 bribe? (437) A. He certainly did.

Q. He did offer you a \$15,000 bribe? A. Yes.

Q. What was that for? A. But at a different time.

Q. When was that? A. That was in September, I had come out of the hospital now, and Mr. Hecht and Mr.



*Jack Glasser—for the Government—Recross*

Greenberg visited my home for two reasons. One, to give me my pay that was due and secondly, to make a proposition to me.

Q. What was second on that occasion? A. That if I would tell them who I was dealing with in the union, they would give me \$15,000. That was Mr. Hecht and Mr. Greenberg. But that was not August 24th, that could have been September 24th. Or some date in September.

Q. Did you in fact tell them the names of any of the union officials? A. I did not.

Q. But did Mr. Greenberg ever offer you a bribe to make up a false statement of some kind about who you had been dealing with? A. He didn't want a false statement. He asked me who am I dealing with and if I'll tell it to him, I get \$15,000.

(438)

Q. Did you, in fact, ever get any money from him? A. Never got a nickel from him.

Mr. Sabetta: We have no further redirect, your Honor.

Mr. Abramowitz: I have a little bit, your Honor.

Recross-examination by Mr. Abramowitz:

Q. You testified on redirect, Mr. Glasser, that you can't recall whether the strike at Schwartzbaum—excuse me, I don't think you said you can't recall. You think that the strike at Schwartzbaum took place before your conversation with Mr. Schwartzbaum about importing, is that correct? A. What year are we talking about now?

Q. I am talking about 1969. A. Schwartzbaum had been paid the year before too, '68 and '69.

Q. And he was struck in May of '69? A. But that was not just Schwartzbaum.

*Jack Glasser—for the Government—Recross*

Q. He was struck in May of 1969? A. He was struck in May. That was a general thing for anybody that was importing furs while lots of union workers were out in the street.

Q. He had to pay \$400, is that correct? (439) A. I don't recall that part of it. If he did, he did. I don't know anything about it.

Q. I'm sorry? A. I say I don't know. It could have happened.

Q. Do you recall testifying in the grand jury April 27, 1972, anything about a strike at Schwartzbaum? A. No, I have no such recollection.

Q. Did you say anything in the grand jury testimony about Sherman Bros. getting caught for contracting in 1968? A. No, I did not.

\* \* \* \* \*

(460) \* \* \*

Mr. Sabetta: The Government calls Mrs. Betty Glasser.

Mr. Abramowitz: Your Honor, could we approach the side bar before we proceed?

The Court: Yes.

(At the side bar.)

Mr. Abramowitz: Your Honor, I would ask for an offer of proof with respect to this witness. If she is going to testify to what I think she is going to testify, I would have an objection.

Mr. Sabetta: She is going to testify as to the source of the money that Mr. Abramowitz cross-examined about yesterday, that it came to her through her family, her father.

Mr. Abramowitz: I object to it on the ground it is not relevant to the Government's direct case and does not belong in the Government's direct case.

*Betty Glasser—for the Government—Direct*

It is a collateral matter raised on cross-examination, and the appropriate time, if at all, to call such a witness would be on the Government's rebuttal case. I think it has (461) nothing to do with the issues in this trial. It is a collateral matter.

Your Honor will understand my point a little bit better if I put it in the context that Mr. Sabetta is seeking to rehabilitate his witness on his own direct case on a collateral matter raised on cross-examination. It is improper.

The Court: I am going to allow it.

Mr. Abramowitz: I will move for a mistrial, and I will refer to it at the time of the testimony in the way of a motion.

(In open court.)

(462)

BETTY GLASSER, called as a witness by the Government, being first duly sworn, testified as follows:

Direct Examination by Mr. Sabetta:

Q. Mrs. Glasser, are you married to Mr. Jack Glasser?

A. Yes, sir.

Q. How long have you been married to him? A. It will be 40 years April 4, 1974.

Q. Where do you live at the present time? A. Miami Beach, Florida.

Q. How long have you lived there? A. Since September 17, 1973.

Q. Where did you live before that? A. In Queens, Lefrak City.

Q. How long did you live there? A. Six years.

Q. From when to when? A. Well, it would be September 1st, six years ago, I think it was '67.

Q. To 1973? A. To 1973.

Q. Did you live there with your husband alone? (463)

A. My husband, yes, sir.

*Betty Glasser—for the Government—Direct*

Q. What was the rent there? A. \$193 a month.

Mr. Abramowitz: I must make my objection now for the record and I have a continuing objection to this entire line of testimony for the reasons stated at the side bar. I make the same motion and I reemphasize the motion I made at the side bar.

The Court: Same ruling.

Q. Where did you live prior to your Queens residence?

A. In the Bronx.

Q. How long did you live there? A. In the same apartment building about 34 years or more. We moved from one building to the next.

Q. At what location was that? A. 1515 Macombs Road.

Q. Now, Mrs. Glasser, how old are you now? A. I am going to be 62 March 19.

Q. What was your maiden name? A. Betty Fenster.

Q. What was your father's name? A. Meyer Fenster.

Q. What was his occupation? (464) A. He was a fur manufacturer, a leading fur manufacturer in the fur industry.

Q. Where was the firm located? A. 333 Seventh Avenue.

Q. What was the name of the firm? A. Louis Fenster & Brother.

Q. Who was Louis Fenster? A. My uncle, my father's brother.

Q. Do you know when that firm was founded? When it began? A. My best recollection I would say—

Mr. Abramowitz: I object to this on the further ground of relevancy as to the issues on trial in this case.

The Court: What is the relevancy?

Mr. Sabetta: I think it ties in with what we offered at the side bar. If I can be allowed to



*Betty Glasser—for the Government—Direct*

develop it, or if your Honor wants me to make an argument at the side bar——

The Court: Go ahead.

Mr. Abramowitz: Are you overruling the objection?

The Court: I am.

Q. When was the firm founded? A. I would say approximately 1924.

(465)

Q. When did you marry Mr. Glasser? A. I married Mr. Glasser 40 years ago, April 6, 1934.

Q. And at or about the time did your uncle, Louis Fenster, have any connection with the Associated Fur Manufacturers? A. Yes, sir.

Q. What was that? A. He was president of the Association of Fur Manufacturers.

Q. Did he have anything to do with your husband obtaining his employment? A. Yes, sir.

Q. With Associated Fur Manufacturers? A. Yes, sir.

Q. Upon your marriage where did you and your husband live? A. We always lived with my parents.

Q. And where was that? A. 1491 Macombs Road and 1515 Macombs Road.

Q. At the time of your marriage how much was your husband earning? A. \$15 a week.

Q. Was he employed at the time with the Fur (466) Association? A. Yes, sir.

Q. When you were living with your parents in the Bronx did you or Mr. Glasser pay any rent there? A. No, sir.

Q. Did you pay any moneys for food? A. Absolutely nothing.

Q. Did you pay any money for electricity or other utilities? A. No.

*Betty Glasser—for the Government—Direct*

Q. Is it a fair statement to say all your expenses during that period of time were paid for by your parents?

A. By my parents.

Q. Do you recall how your husband used to get to work during that time? A. Yes, sir.

Q. How was that?

Mr. Abramowitz: I object to that, your Honor.

The Court: Come up, Mr. Sabetta.

(At the side bar.)

The Court: What else may we expect from the witness?

Mr. Sabetta: The witness will testify that he was driven to work in a chauffeured car, which bears upon (467) his response to Mr. Abramowitz that he was living like a king, I believe his language was. Moreover, the principal line of testimony is that the moneys in question, the source of the moneys in question were inheritances that she received from her mother and father.

The Court: Why don't you get on with that without all this other. It is grossly out of order, I must say.

Mr. Sabetta: I will withdraw the pending question.

Mr. Abramowitz: May I press again that he is seeking to rehabilitate a witness and it is completely irrelevant and I move for a mistrial.

The Court: I am not interpreting it as rehabilitation of a witness, but as calling a witness out of turn. I must admit I feel very uncomfortable about it.

The Court: It has nothing to do with the issues in this case. She doesn't know anything about bribery or alleged bribery. Why should she be allowed to continue, Mr. Sabetta?

*Betty Glasser—for the Government—Direct*

Mr. Sabetta: Your Honor, we think that the issue of the money is a central one in this case. The (468) jury will be allowed to hear testimony about it, and we think it is appropriate now, if for no other reason than that the Glassers live in Florida.

Mr. Rooney: They have been here for over a week. They can stay another three days.

Mr. Sabetta: It is not three days.

Mr. Abramowitz: It is absolutely prejudicial. I think the Government had made a serious error. I press my objection for a mistrial.

The Court: That motion is denied.

On the record we have set out we will play it out, but don't tell us about the chauffeured car and all that. If you want to go into the source of the hundred thousand, go ahead.

(In open court.)

By Mr. Sabetta:

Q. Now, Mrs. Glasser, is your father still alive? A. No, sir.

Q. When did he die? A. He died March, 1940.

Q. And at his death did he leave any estate? A. Yes, sir.

Q. Did you share in that estate at all? A. Yes, sir. (469)

Q. Do you have any brothers and sisters? A. Yes, I have one brother and one sister.

Q. What share did you receive as a result of his death at that time? A. Well, mother got two-thirds and the rest was divided between three children.

Q. How much did you get? A. Mine approximately would be \$60,000.

Q. What was the form of that? A. Stocks, bonds and moneys.

*Betty Glasser—for the Government—Cross*

Q. Is your mother still alive? A. No, sir.

Q. When did she die? A. My mother died October, 1944.

Q. And at her death did she leave an estate? A. Yes, sir.

Q. Did you receive any part of that? A. Yes.

Q. Approximately how much of that did you receive?  
A. I would say about—this is all approximate, please—I was left approximately, I would say at that time between 30 and 40,000 dollars, stocks, bonds and money, and all the valuable jewelry. I was the administratrix of the estate.

(470)

Q. When you received these funds and other assets what did you do with them at your father's death and mother's death? A. We just put them in the bank. We sold some stocks and bought other stocks.

Q. In whose name were they in the bank? A. At the bank, Jack and/or Betty Glasser.

Mr. Sabetta: I have no further questions.

Cross-examination by Mr. Abramowitz:

Q. Mrs. Glasser, you testified in March, 1940, your father died? A. That is correct.

Q. And left some money for your mother and you and your brother and sister? A. Right.

Q. Your share of that was approximately \$60,000? A. Yes, between 50 and 60,000. I can't give you the exact figure.

Q. How much of that was cash and how much of that was stocks? A. That was total in value.

Q. Total in value, \$60,000? A. That is right.

(471)

Q. When your mother died you received another 30 or 40,000? A. That is right.



*Betty Glasser—for the Government—Cross*

Q. In either stocks or bonds? A. And valuable jewelry.

Q. The 30 or 40,000 dollars— A. That was separate, and valuable jewelry.

Q. Let me finish my question. The 30 or 40,000-dollar figure that you gave us includes the jewelry? A. No, sir.

Q. It doesn't include the jewelry? A. No, sir.

Q. How much was the jewelry worth? A. I never put a value on it. This was sentimental jewelry. I still have that jewelry.

Q. I want to get clear the figures from the two estates. You have a hundred thousand dollars in stocks and bonds?

A. Right.

Q. Starting in 1940 and then in 1944? A. Right, sir.

Q. And what did you say you did with this money? A. We have kept some stocks, sold some, bought some, (472) banked our money, banked all the moneys Mr. Glasser made at the time my parents were alive, because they paid all our expenses. They even gave us spending money.

Q. At the time you were living with your parents what was your husband earning at that time? A. \$15 a week when he started.

Q. Up until when? A. Up until the death—I do not know the exact figures, sir.

Q. Do you have approximate figures? A. No, sir.

Q. Was it under a hundred dollars a week? A. I wouldn't know. The Fur Manufacturers Association will have that information for you.

Q. You don't have any recollection at all as to how much it was? A. No.

Q. That money was put in the bank? A. Yes, sir.

Q. What other deposits were put in the bank during the period that your husband and you were living with your parents? A. All of his earnings went into the bank.

Q. From what sources? (473) A. Well, he worked first for the NRA, and then for the Associated Fur Manufacturers.

*Betty Glasser—for the Government—Cross*

Q. And his entire salary check went into the savings bank? A. Entire.

Q. Did any other money go in the savings account at that time? A. At that time only gifts that were given to me for birthdays or anniversaries, and the same to my husband and children.

Q. After your parents were dead you were living on your own then with your husband? A. That is right.

Q. Were any deposits made in the savings account at that time? A. Yes, sir.

Q. What kind of deposits were they? A. Part of his salary went into our savings account.

Q. About how much of his weekly salary went into the savings account? A. Well, I will tell you the exact truth, sir. I was given table—

Q. You are telling us the exact truth on everything? (474) A. This is exactly—I was given in the beginning as his salary went up, I was given a certain amount of table money. If I saved anything off of that, that went into the bank. Mr. Glasser took care of all bills, rents, gas, electric and telephone. The rest went into our bank account.

Q. Do you know whether your husband made deposits that you were unaware of in the savings account? A. No, sir.

Q. Do you know whether the interest was drawn out each year from these savings accounts? A. No, sir.

Q. So that in '45 there was approximately \$100,000 in savings account? Is that correct? A. Yes, sir.

Q. And in 1972 how much did you have in the savings accounts? A. We have now a hundred thousand-dollar CD certificate for one month; we have a 25,000 certificate for one year; we live on dividends, Social Security, a pension from the Health & Retirement Fund from the Fur Industry.

Q. What happened to the 30 years worth of interest on

*Betty Glasser—for the Government—Cross*

the savings account, from '45 to '74? Do you know? A. Yes, sir.

(475)

Q. Tell us what happened to it. A. We lived partially on it; we bought clothes: we gave my children wedding gifts.

Q. And yet your husband was able to bank part of his salary every week? A. Yes.

Q. And you are sure he deposited part of his salary check every week? A. Yes, sir.

Q. Does your husband gamble at all? A. No, sir.

Q. Does he ever go to the racetrack? A. With me every once in a while we went to the track.

\* \* \* \* \*

(479) \* \* \*

Q. Now, did you ever make withdrawals from these bank accounts so that you could have living expenses? A. There were times I withdrew for extra clothing, if I needed to go to certain affairs I had to buy something, yes, sir, I did.

Q. Did your husband make any withdrawals? A. No, sir, not without me.

Q. Not without you? A. No.

Q. So there were no withdrawals? A. No.

Q. That you know about? A. Yes, sir. I held the books. Excuse me. I always had the bankbooks.

Q. You had the bankbooks? Do you have them now? A. Not today. They were canceled when I moved.

Q. Where are the canceled bankbooks? (480) A. Down the incinerator.

Q. When did you throw them down the incinerator? A. When I moved to Miami Beach I didn't take any excess baggage with me.

Q. Did you talk to your husband after he testified in court yesterday? A. About what, sir?

*Betty Glasser—for the Government—Cross*

Q. About his bankbooks? A. No, sir.

Q. You did not? A. No, sir.

Q. Did he tell you I asked him questions about the bankbooks? A. No, sir.

Q. Did Mr. Sabetta tell you that I asked questions about the bankbooks? A. I didn't speak to Mr. Sabetta. All he said to me is that I might be called as a witness today. That is it.

\* \* \* \* \*

(482)

Q. Do you or your husband have a safety deposit box? A. Yes.

Q. Where do you have a safety deposit box? A. In Miami Beach.

Q. What do you keep in the safety deposit box? A. I keep my stocks, my jewelry in there and bonds.

Q. Any cash in there, Mrs. Glasser? A. No.

Q. Is that the only safety deposit box you have? A. That's the only one I have, sir.

Q. Did your husband have or did you have a safety deposit box in 1967 in New York? A. Yes, sir.

Q. Where was that? A. In Queens.

Q. What did you have in there? A. The exact thing I have now in my safety deposit box, stocks, bonds and my jewelry.

Q. No cash? A. No, sir.

Q. Do you have any cash in the house? A. No, sir.

Q. None at all? (483) A. No, all transactions by check.

Q. All transactions by check? A. Yes, sir.

Q. Did your husband have any additional sources of income from 1967 through 1970 that you are aware of?

A. Additional—

Q. Other than his salary. A. No, sir.

Q. No? A. No, sir.



*Betty Glasser—for the Government—Cross*

Q. He never received cash from people? A. Cash from people from where?

Q. Other people, anybody. A. He was taking cash and bringing it to members of the fur union.

Q. You knew that? A. Yes, sir.

Q. He told you that? A. He told it to me, yes, sir.

Q. Did he say he kept any of it? A. Yes, sir.

Q. What did you do with that cash? A. Put it in the bank.

Q. You put that in the bank? (484) A. Yes, sir.

Q. And you threw out the bankbooks? A. Pardon?

Q. You threw out the bankbooks?

Mr. Sabetta: Your Honor, this question has been asked and answered. This is about the third time. I object to this.

The Court: I will allow it. Go ahead.

Mr. Abramowitz: Would you repeat the question, please. (Question read.)

A. Yes, sir.

Q. Did your husband carry a lot of cash with him in his pockets at any time that you can recall? A. I would not recall unless we went shopping and if we didn't have—if they wouldn't accept our check, we would have cash on us, yes.

Q. You say that he sometimes carried \$1,000 in cash in his pockets? A. No, sir, not that I saw.

Q. None that you saw? A. No, sir.

Q. Did he carry big rolls of bills with rubberbands (485) that you saw in his pocket? A. No, sir.

Q. Did he ever tell you that he did? A. No, sir.

Mr. Abramowitz: I have no further questions, your Honor.

\* \* \* \* \*

*Daniel Ginsberg—for the Government—Direct*

DANIEL GINSBERG, called as a witness by the government, having been duly sworn, testified as follows:

Direct Examination by Mr. Fryman:

\* \* \* \*

(487) \* \* \*

Q. Were you involved in the fur manufacturing industry before you moved to Palm Springs? A. I was.

\* \* \* \*

(488) \* \* \*

Q. What was the name of the firm by which you were employed immediately before you drove to California in 1971? A. Daniel Fur Company, Incorporated.

\* \* \* \*

(491) \* \* \*

Q. How many employees did Daniel Fur Company, Incorporated have, Mr. Ginsberg, when the company started doing business? A. Well, when the season usually starts, you start (492) with one or two, and you continue on hiring more people as you develop your business.

Q. In the first year of business— A. The first year, perhaps six or eight.

Q. Was your company a union shop? A. Yes.

Q. From the beginning? A. From the beginning.

\* \* \* \*

Q. What products did that company manufacture when it began doing business? A. We began doing business making fur collars and fur hats.

Q. Any particular sort of fur? A. Rabbit and lamb.

Q. Did there come a point when the demand for your products increased substantially after the formation of Daniel Fur Company, Incorporated in 1965? A. Yes.

Q. When did that occur? A. The following year, 1966. We started making fur coats, rabbit fur coats, and it be-

*Daniel Ginsberg—for the Government—Direct*

came a very successful item. (493) We also made Spanish lamb coats that turned out to be very successful.

\* \* \* \* \*

(495) \* \* \*

Q. Did there come a point where you had to move to larger headquarters? A. Yes.

Q. When was that? A. In 1968.

\* \* \* \* \*

Q. How many union employees did you have after the move to these new headquarters? A. Approximately 30 or 35.

(496)

Q. Did you have room to add any more union employees? A. No.

Q. Were your union employees able to meet the demand for your products? A. No.

Q. What did you do? A. Well, in 1969 I rented additional space in the building. The original space that I had was on the second floor. In 1969 I rented space on the 16th floor that I used for the showroom and stockroom and shipping facilities. I converted the entire second floor area to the factory so that I could employ more people.

Q. Were you then able to employ enough workers to meet the demand for your products? A. No. With the additional space I still wasn't able to at that time employ more people.

Q. Were you able to rent any additional space? A. Not in that building.

Q. Did you try? A. Yes.

Q. So then what did you do to meet the demand for your products? A. Well, I discussed it with my partner, what we (497) should do, and then I hired a foreman that year to run the factory so that I could have more leeway in operating the other part of the business.

*Daniel Ginsberg—for the Government—Direct*

At that time I used to do the negotiating of the larger orders and I wasn't free to run the factory. So I hired a foreman. One day in discussing the problem of turning out the work I asked Mr. Schaffer, who was the foreman, if he knew anybody that I could—how I could go about giving out contracting.

Q. What did you understand contracting to be? A. Contracting was to give out the skins and the lining and have a coat made by an outside manufacturer.

Q. Did you know that the subject of contracting was covered by the union contract? A. Yes.

Q. What did the union contract provide with respect to this practice of contracting? A. It wasn't permitted.

Q. Your company was a member of the Associated Fur Manufacturers which had entered into the contract with the union; is that correct? A. It was.

Q. You say it wasn't permitted by the contract. (498) What were the possible consequences that you understood would occur to your firm if you engaged in this practice and you were apprehended? A. Well, they would stop the work at the shop and you would be fired.

Q. Who would initiate this sort of proceeding? A. The union.

Q. I believe you said you discussed contracting with your foreman, Mr. Schaffer; is that correct? A. Right.

Q. What did you say to Mr. Schaffer about this and specify as precisely as you can the date when you first spoke to Mr. Schaffer about this practice?

Mr. Rooney: I object.

The Court: I will allow him to testify as to what he said to Mr. Schaffer and when he said it. Don't tell us what Mr. Schaffer said to you. Go ahead.



*Daniel Ginsberg—for the Government—Direct*

A. In April of 1969 or perhaps the latter part of March 1969 I told Mr. Schaffer that I would like to give out contracting.

Q. Did you ask his advice in any way? A. Yes.

Q. What did you say to him in asking his advice? (499)

A. I said—I asked him if he knew anyone who could arrange a way of giving the contracting out.

Q. As a result of this conversation with Mr. Schaffer, did you thereafter meet with any other person to discuss the practice of contracting? A. Yes.

Q. Who was that person? A. Mr. Jack Glasser.

Q. How long after your conversation with Mr. Schaffer did your meeting with Mr. Glasser occur? A. A day or two.

Q. Where did that occur? A. It occurred at my private office on the 16th floor.

Q. Did Mr. Glasser come to your office? A. Mr. Glasser came to my office.

Q. Was anyone with him? A. No.

Q. You spoke to Mr. Glasser at that time? A. I spoke to Mr. Glasser, yes.

Q. What did you say to Mr. Glasser and what did Mr. Glasser say to you? A. I told Mr. Glasser that I wanted to give out contracting to non-union shops. (500) He said to me that I should give him a list of the names of the people that I wanted to use and he would let me know, and he went away.

Q. Did he say anything about money? A. Oh, yes.

Mr. Rooney: Your Honor, there is a pending question. May we have the answer to the question, please?

Mr. Fryman: Will you read back the question to the witness.

The Court: Read back the question. (Question read.)

*Daniel Ginsberg—for the Government—Direct*

Q. You may continue. A. He said that he would want \$1,000 in cash to be paid after he okays the people—the list of names that I give him.

Q. Did he say anything else? A. He'd be back for the list and the money.

Q. When did you next meet with Mr. Glasser? A. Either a day or two later he came up and I gave him the list of names of the contractors that I wanted to use, and he said that he would go—he would come back later and tell me if it would be okay.

Q. What names did you give him? (501) A. I gave him the names of Royal Fashion Furs and Lou Waxman.

Q. He said he would come back later and tell you if it was okay? A. Right.

Q. Were those his words? A. Right.

Q. When did you next meet with Mr. Glasser? A. Perhaps a day or two days later.

Q. Where did that meeting occur? A. In the same office on the 16th floor, my private office.

Q. Was anyone—— A. There was no one present.

Q. Incidentally, was there anyone present at the second meeting that you mentioned? A. There was no—there was never anybody present when I had a conference with him.

Q. What happened in the third meeting with Mr. Glasser? A. The third meeting, he said it was okay to give these people work, and I gave him the money.

Q. How much money did you give him? A. \$1,000.

Q. Did he say anything other than it's okay to give (502) them the work? A. No.

Q. Did he indicate who had given any money?

Mr. Rooney: Objection.

The Court: Try without leading, please.

Q. Did he say anything further in that meeting? A. No.

*Daniel Ginsberg—for the Government—Direct*

Q. All right. After you paid the \$1,000 cash to Mr. Glasser at your office—incidentally, can you pin that down as specifically as possible as to time, when you made this payment to Mr. Glasser? A. This was in April.

Q. Of? A. 1969.

Q. After you made this \$1,000 payment, did you begin to give out work to contractors in violation of the contract with the union, the Furriers Joint Council? A. Yes.

Q. How did you pay these contractors? A. By check.

Q. Was the check made to the actual name of the contractor? A. Yes.

(503)

Q. Were there any other business records made of the payments to these contractors? A. No, it was just in the regular course of business.

Q. You say you made a check to the contractors?  
A. Yes.

\* \* \* \*

(505) \* \* \*

Q. During what months did you use contractors and make payments to contractors? A. Well, I started using contractors right after I spoke with Jack Glasser, and then when I started paying them, I don't remember.

Q. Will you examine Government's Exhibit 12 and determine the first month where there appears to be payments to contractors which you used? A. The first payment was June 13th.

Q. What name of the contractor is shown in Government's Exhibit 12 for that first payment? A. Lou Waxman, and on the same date to Royal Fashion Furs.

Q. Will you examine the other entries for June, 1969, and see if there are any other payments to contractors reported in Government's Exhibit 12 and, if so, state the name of the contractor as shown in that exhibit. A. On the 20th, Royal Fashions, and on the 20th, Lou Waxman.

*Daniel Ginsberg—for the Government—Direct*

Then there's another one on the 25th for Royal Fashions. (505a) On the 27th for Lou Waxman and on the 27th for Royal Fashions.

Q. Will you look through the book, Mr. Ginsberg, and tell the jury if there are entries recorded for payments to contractors in months succeeding June, 1969, and, if so, specify the month? A. July, August, September, October, December.

(506)

Q. So there are entries of payments to contractors for the months of June through October and December? Is that correct? A. Yes.

\* \* \* \* \*

Q. Now, Mr. Ginsberg, during this period that you were giving out work to contractors did you lay off any of the union employees in your shop? (507) A. No.

Q. How many workers did you have throughout the year 1969? A. I think I had 35 people working for me.

Q. Did you decrease the number of employees as a result of this practice of contracting? A. At no time.

Q. Mr. Ginsberg, did there come a point in 1969 when representatives of the union and the Associated Fur Manufacturers came to your company to conduct an investigation? A. Yes, October 1969.

Q. How many people came to conduct that investigation? A. There were three.

Q. What were their names, if you know? A. There was Mr. Reese of the Associated Fur Manufacturers.

Q. Do you know his full name? A. No, I don't remember his first name. And Andy Logios was the union delegate and the union accountant.

Q. What did they do after they arrived at your shop? (508) A. They asked to see the payroll records.

Q. Did they review the payroll records? A. They did.

Q. Did they ask to see anything else? A. They asked to see the cashbook.



*Daniel Ginsberg—for the Government—Direct*

Q. Did they review the cashbook? A. They reviewed the cashbook—well, the accountant was making a list of whatever he was looking for.

Q. The accountant was a representative of the union?  
A. Yes.

Q. Do you know his name? A. No.

Q. What sort of notes was he making? A. Well, he was checking to see if I paid Health & Welfare Fund payments for certain individuals, and during the time of his going through the book he discovered some of these foreign names, these names that didn't belong there, these contractors.

Q. Did he say anything? A. Well, he said—

Mr. Rooney: Objection to that, your Honor.  
That is hearsay.

The Court: Sustained.

(509)

Q. What sort of paper was the union accountant making notes on when he was conducting this investigation?

A. On a similar sheet as this, upon regular ledger sheet, accounting paper, similar to what is in this book.

Q. Did he have a pad? A. I beg your pardon?

Q. Did he have an accounting pad with him? A. It could have been on a pad or it could have been loose papers. I'm not sure.

Q. Did he make detailed notes in going through that book? A. Yes.

Q. About how long did this accountant take in reviewing that book? A. Maybe two hours.

\* \* \* \* \*

(510) \* \* \*

Q. Did the accountant take anything with him when he left your office? A. Yes, he took all the notes that he made.

*Daniel Ginsberg—for the Government—Cross*

Q. What did you do after the union accountant and the other union representative and Mr. Reese left your shop? A. I called Glasser.

Q. What did you tell Glasser? A. I told him I wanted to see him, that I had a problem.

Q. Did you describe the problem? A. Not on the phone, no.

Q. Did you thereafter see Mr. Glasser? A. I saw Mr. Glasser either that afternoon or the following morning.

Q. Where did you see him? A. In my office.

Q. What did you tell him? A. Well, I told him what happened the day previous, or what happened at the meeting of the accountant, and (511) he said, "Well, don't worry about it," he will take it up with either Hoff or Stofsky and "we will have it fixed."

Q. Mr. Ginsberg, was your company ever fined for contracting? A. No.

Q. Was any action ever taken against your company, Daniel Fur Company, Incorporated, as a result of this practice of contracting which you followed during the months June through December, 1969? A. No.

\* \* \* \* \*

Cross-examination by Mr. Rooney:

Q. Mr. Ginsberg, in the document that you have been referring to, which is Government's Exhibit 12, there are many notations in this exhibit book, are there not? A. Yes, it is in the regular course of business.

Q. And these payments that were made to contractors are listed in the way that you have mentioned to us? Is that true? A. Yes.

Q. The notation "contractors" doesn't appear in the (512) book? A. That is true.

Q. In other words, you disguised these payments to contractors? Isn't that true? A. Yes.

Q. You camouflaged these payments? Isn't that right?

*Daniel Ginsberg—for the Government—Cross*

A. Well, they are not exactly camouflaged; there's nothing indicating that anything is camouflaged, just the money is put in the record in the regular course of business.

Q. Do you remember testifying in the grand jury in September of 1972? A. Yes.

Mr. Rooney: Page 5.

Q. Were you asked this question and did you give this answer:

"Q. Was that, in fact, an accurate representation, what was in your books, the fact that you did not give out contracting to non-union shops? A. Well, actually I had invoices from these people and it did not say for labor, or it just said for fur coats, sort of to camouflage the fact that I was giving out contracting."

(513) A. That is true.

Q. You said that? A. I did.

Q. Now, contracting is a situation where a firm gives out their goods to another and has that other work on the goods? A. Right.

Q. It is not a situation where you buy goods from somebody? Is that right? A. That is true.

\* \* \* \* \*

(514) \* \* \*

Q. When these men were up in your shop, Mr. Logios and Mr. Reiss and the accountant, did you tell Mr. Logios, the union representative, that all these entries in your book which you have described were for contracting? A. No.

Q. I think there was one entry that appeared for contracting, a payment to Mr. Irving Chaiken. A. When was that?

*Daniel Ginsberg—for the Government—Cross*

Q. We have an entry for Irving Chaiken around August of 1969? A. Yes, August 12, 1969, \$179.

Q. Could you just point that out to me on Government's Exhibit 12? A. Here.

Q. Now, that payment to Mr. Chaiken was for garments that you had sent from your shop to have him work on? Isn't that correct? A. I don't remember. That transaction I don't (515) remember.

Q. But it did total \$179? A. There is a check issued for \$179. There is a return check for \$179?

Q. But you say you camouflaged these payments to the contractors? Is that right? A. To a certain extent.

Q. So what appears in the books are payments to other people for goods that you received? A. Yes.

Q. That is what appears in the books? A. Yes.

Q. If I were to look at that book that is the impression I would get? A. Yes.

Q. Which is not a contracting situation from the way it appears in the book? Isn't that right? A. Yes.

\* \* \* \* \*

(516) \* \* \*

Q. Now, there came a time I think in early 1970 when you decided to discontinue your rabbit business? A. That is right.

Q. And you then got into a new line? This is early 1970? A. Right.

(517)

Q. What was the new line? A. Sheepskin coats.

Q. And this was in early 1970? A. The whole year 1970.

Q. I take it before you changed your line you have to make certain arrangements to get into another line? A. Yes.

Q. In the industry? A. Yes.

Q. So I take it that several months before you made the change in line you decided to go into these other coats,



*Daniel Ginsberg—for the Government—Cross*

these non-rabbit coats, sheepskins? Is that right? A. I may have—I think I decided in February of 1970. I think February or March 1st.

Q. Well, by that time you were already in the new line, were you not? A. I started to make samples.

Q. In other words, there came a time in early 1970 when you no longer needed nailers? A. That is right.

\* \* \* \*

(518) \* \* \*

Q. Well, do you recall in about October, November you started to lay off some employees? A. In all probability I didn't have any work for them.

\* \* \* \*

(520) \* \* \*

Q. When you met with Mr. Glasser in April, 1969, you had a conversation, a couple of conversations with him? A. Yes, sir.

Q. Mr. Glasser didn't mention the name of Mr. Stofsky (521) at that time, did he? A. No, sir.

Q. This is in April, 1969? A. No.

Q. Or Mr. Gold? A. No.

Q. Or Mr. Hoff? A. No.

Q. He didn't mention the name of any union officer? A. Right.

Q. In 1969 your volume was not over a million dollars, was it? A. No.

Q. Now, there was a time in 1966 when you were charged by the union with contracting? Do you recall that?

The Court: 19 what?

Mr. Rooney: '66.

A. I don't remember.

*Daniel Ginsberg—for the Government—Cross*

Q. Well, do you recall paying a \$200 liquidated damage fine on May 15, 1968? A. I think I do remember paying a fine of about \$200.

Q. Do you also recall being ordered in 1968 to (522) add an additional finisher? A. Possibly.

Q. To your plant? A. Yes, that is very possible.

Q. And that was for a complaint on contracting on July 8, 1966? Do you recall that? A. I don't recall it, but it's very possible.

Mr. Rooney: May I have this marked as a defense exhibit for identification.

(Defendants' Exhibit J was marked for identification.)

Q. I am asking you to take a look at that and see if that refreshes your recollection about the matter? A. Yes, this looks familiar, but I never saw this thing.

Q. But it does refresh your recollection? A. Well, the packing slip is mine.

Q. You were charged with contracting on July 8, 1966, on or about? A. Yes.

Q. And in 1968, May 15, 1968, you paid a \$200 fine and had to add an additional finisher? A. Well, I suppose so.

Q. Well, take a look at it. (523) A. Yes, it's true.

\* \* \* \*

(524) \* \* \*

Q. Now, when these men came up in October of 1969 you thereafter called Mr. Glasser? Is that correct? A. Yes.

Q. After they left your shop? A. Yes, sir.

Q. You say that Mr. Glasser told you that either Hoff or Stofsky would handle the situation? Is that right? (525) A. That is right.

*Daniel Ginsberg—for the Government—Cross*

Q. But you don't know to your own knowledge whether Mr. Hoff or Mr. Stofsky ever did anything with respect to this? A. I don't.

Q. And with respect to the thousand-dollar payment that you made to Mr. Glasser, you don't know what Mr. Glasser did with this money, do you? A. No.

\* \* \* \* \*

(526)

Q. Mr. Ginsberg, you said that Logios and Reiss and the accountant came up to your shop toward the end of October, 1969. A. October, 1969.

Q. At that time you were charged with contracting; isn't that correct, at about that time? A. No, I wasn't.

Q. But they examined your books at about that time; isn't that right? A. That's right.

Q. Sheets were made as a result of that examination? A. Right.

Q. Did you tell Mr. Logios that you had paid Mr. Glasser a thousand dollars to take care of an investigation like this? A. No.

Q. You didn't mention anything like this to Mr. Logios? A. No.

Q. To your knowledge, Mr. Stofsky never got a penny of that money, did he? A. I haven't the slightest idea.

Q. The same with Mr. Hoff? A. Yes.

(527)

Q. And certainly the same with Mr. Gold? A. Yes.

Q. And the same with Mr. Lageoles? A. Yes.

Q. For all you know, Glasser could have pocketed that money? A. That's true.

\* \* \* \* \*

*Sidney Reiss—for the Government—Direct*

SIDNEY REISS, called as a witness, having been duly sworn, testified as follows:

Direct Examination by Mr. Fryman:

(530)

Q. Mr. Reiss, by whom are you employed? A. By the Associated Fur Manufacturers, Incorporated.

Q. Where is your office? A. 101 West 30th Street, New York City.

Q. What is your position with Associated Fur Manufacturers, Incorporated? A. I am a labor adjuster.

Q. Would you describe briefly for the jury the nature of your duties as a labor adjuster? A. If the union has a complaint, we go out and try to adjust it under the collective labor agreement. If we can't, the case generally goes before an impartial chairman who renders a decision after hearing the facts. He sends a written decision simultaneously to both sides.

Q. Under the contract with the union, is it the responsibility of the union to initiate such a complaint? A. Yes. Well, we can, too, but they generally do.

Q. Is it also their responsibility to press such a complaint before the impartial arbitrator? A. If they deem it necessary. It's up to them.

\* \* \* \* \*

(531) \* \* \*

Q. Are you familiar, Mr. Reiss, with the firm of Daniel Fur Company, Inc.? A. Yes.

\* \* \* \* \*

Q. Did you visit that company on October 21, 1969? A. Yes.

Q. To investigate those complaints? A. Yes.

Q. Who was with you? A. Mr. Andrew Logios and Mr. Arthur Shifin.

Q. What is Mr. Logios' position? A. He is a union business agent.



*Sidney Reiss—for the Government—Direct*

Q. What is Mr. Shifin's position? (532) A. He is a union business agent and he does accounting work for the union as well.

Q. What was the purpose of your visit to Daniel Fur Company, Inc. on October 21, 1969? A. To get the firm's answer to the union complaint.

Q. What were the complaints? A. The first one I have in my hand is "Firm violates agreement. Contracting XVIII", which is article XVIII of the agreement.

Q. Which exhibit is that, Mr. Reiss? A. 14.

Q. What's the other one? A. The other one is 13. "Firm buys from sources other, etc., imports. BA investigate on the other one."

Q. Did you, Mr. Logios and Mr. Shifin conduct an investigation at that firm on that date? A. Yes. It was a joint—these are joint investigation papers.

\* \* \* \*

(533) \* \* \*

Q. Now, you say referred to. Is that some statement on Government's Exhibits— A. Yes. That's my writing.

Q. 13 and 14 is what you are referring to? A. Yes, look at the answer on the back.

Q. What are those statements? A. On the one with the contracting, "Firm admitted having given out 14 garments to Irving Chaiken for finishing. See joint investigation papers." On the other one the answer is "See joint investigation papers."

Q. Are there initials on the back? A. Yes.

Q. What are the initials? A. My initials, Mr. Logios' initials and Mr. Shifin's initials.

\* \* \* \*

(535) \* \* \*

Q. That investigation on October 21, 1969, was in connection with a complaint concerning contracting, which is

*Sidney Reiss—for the Government—Cross*

one of the exhibits that's before you; is that correct? A. Yes, and it also could be with the other one.

Q. Did you speak with the owner of Daniel Fur Company, Inc., Mr. Ginsberg, in connection with this investigation and make any note on the back of these complaints? (536) A. Sure. This is his answer.

Q. And his answer appears on the back of Government Exhibit 14? A. 14.

Q. What does that state? A. "Firm admitted having given out 14 garments to Irving Chaiken for finishing. See joint investigation papers."

Q. Mr. Reiss, what action was ever taken against Daniel Fur Company, Inc., as a result of this investigation? A. I don't recall any decision from the impartial chairman. I don't recall any action.

Q. Do you recall the case ever being presented to the impartial chairman? A. I don't know. I don't recall. I don't know whether it was or not, but I know there was no decision.

\* \* \* \*

(539) \* \* \*

Cross-examination by Mr. Rooney:

Q. Mr. Reiss, going to October of 1969 with Mr. Ginsberg—you recall your testimony a moment ago on that, do you not? A. Yes.

Q. You went up to Mr. Ginsberg's office; is that right? A. Right.

Q. On that occasion there were two complaints; is that right? A. Right.

Q. The first one was on contracting; is that right? A. Right.

Q. And the contracting that was found concerned Irving Chaiken; isn't that right? A. That's correct.

Q. The contracting that was engaged in amounted to

*Sidney Reiss—for the Government—Cross*

\$179; isn't that right? Approximately. A. It's exactly \$179.

Q. Mr. Ginsberg admitted that, did he not? A. Yes, he did.

Q. Right on the spot? A. Yes.

Q. In your opinion, given your experience, that would have occasioned a fine or a warning; isn't that right? (540)

Mr. Sabetta: Objection.

The Court: Read it back, please.

(Question read.)

The Court: I will allow it.

A. In my opinion it should have gotten a warning. At the very most a small monetary fine.

Q. And a warning would be something without any dollar fine? A. That's what I would—yes, that's what I would ask for.

Q. On the second complaint Mr. Ginsberg denied the importing; did he not? A. No. You see, over here—

Q. Would you refer to the document by the number on it, please, so we can make a note on the record. A. Exhibit 13.

Q. Good. A. It says firm buys from sources other, etc., imports. That means that the firm buys from sources who work under terms and conditions lesser than those prevailing in the fur industry.

Now, I'm not familiar with all shops that have contracts with the union. Therefore, when the union takes down the various shops, I don't know if they are union or (541) non-union. So I refer to the union investigation papers. All these firms are not all our members. So I don't know whether they have union contracts or not. That's why you have the investigation.

*Sidney Reiss—for the Government—Cross*

Q. The firm denied it; did they not? A. There was no denial or admission; just facts from whom he bought, just the firms from whom he bought.

Q. Do you recall that Mr. Ginsberg's firm, Daniel Furs, was engaged in the production of rabbit coats at about this time? A. Yes.

Q. Do you recall that Mr. Ginsberg went out of business on the rabbit fur coats, and about six weeks right after this? A. I don't know exactly when. I know he had an occasion when he switched from rabbits to lamb garments.

Q. That was shortly after this, though, wasn't it? A. It was after this.

Q. Shortly after it? A. I don't know exactly when.

Q. You mentioned that in your experience going out on these complaints to various shops with the union, that the union can press a complaint if it deems it necessary; isn't that right? (542) A. Yes. It's up to them.

Q. These complaints are something that are filed frequently; isn't that true? A. Of course.

Q. Right. It's a way of life? A. It's my job.

Q. It's not a rare occasion? A. No, a daily occurrence.

Q. So there are situations when the union works out an arrangement with the manufacturer and doesn't have to go before the impartial chairman; isn't that correct? A. Could be. If they worked it out with the union, I wouldn't even know about it.

Q. But there are situations which are oftentimes minimal type situations where it doesn't pay for anybody to have a formal hearing before the impartial chairman; isn't that right? A. There's everything under the sun.

Q. Just a matter of two people sitting down and working it out, right? A. If they can.

Q. That is true with respect to overtime violations, isn't it? (543) A. All these complaints.

Q. With respect to vacation pay for the workers if



*Sidney Reiss—for the Government—Redirect*

there's any dispute; isn't that true? A. Yes. We have to adjust them.

Q. It's frequently done, isn't it? A. It's done daily practically.

Q. To avoid a formal hearing before the impartial chairman? A. Yes. The only time we go before the impartial chairman is if we can't agree, we need a third party to decide.

Q. There is nothing secret about this when the union works it out with the manufacturer, is there? A. No.

Mr. Rooney: I have no further questions, your Honor.

The Court: Redirect.

*Redirect Examination by Mr. Fryman:*

Q. Mr. Reiss, in connection with this October 21, 1969, investigation and the contracting complaint, did you participate in any settlement of this complaint? A. No.

Q. If the case goes before the impartial chairman, (544) what is your role? A. Well, it's put on the calendar by the union and we call the firm. When it comes before the impartial chairman, we represent him.

Q. You represent the firm before the impartial chairman? A. Yes.

Q. And you are in the role of an advocate before the impartial chairman? A. An advocate of the firm.

Q. Advocate of the firm? A. Yes.

Q. And you would urge the impartial chairman to impose as small a penalty as possible; isn't that correct? A. That's correct.

Q. Now, what penalty would you have urged that the impartial chairman impose in this instance? A. A warning, I'm sure. That's all it would have been worth to me, a warning.

Q. The union is also represented in proceedings before

*Sidney Reiss—for the Government—Redirect*

the impartial chairman; is it not? A. Of course.

Q. And the union can urge a more severe penalty?

A. Whatever they urge, yes. It's up to them.

(545)

Q. What are the penalties that the impartial chairman could impose for a contracting violation? A. It depends on what kind of violation it's judged to be. There are two kinds under the agreement. There are isolated and minor transactions, which could go from a warning up to \$1,000, and then there's a system of contracting that could call for suspension from the protection of the agreement, the no strike clause.

Q. What is the effect of suspension from the agreement?

A. The firm is not protected by the no strike clause of the agreement. The union can strike them, ask for loss of them for workers and whatever other terms they want to settle.

Q. So if it's an isolated instance of contracting, there can be a fine up to \$1,000? A. From a warning to \$1,000. That's what the agreement calls for.

Q. But if there's a system of contracting, the penalty can be suspension from the protection of the contract? A. If it's proved and decided by the contracting panel.

Q. You say that Mr. Ginsberg admitted giving out work to Mr. Chaiken; is that correct. A. That's correct.

(546)

Q. And that is in the amount of \$179; is that correct?

A. That's correct.

Q. Does Mr. Chaiken's name and the amount of \$179 appear on these three pages of accounting entries which is Government's Exhibit 15? A. Yes. here it is, right here. It's from the cash book. On August 12th there's a check to Irving Chaiken for \$179, number 6287, dated August 12, 1969. The firm states 14 garments finished from June 11th to July 10th.

Q. This was the sheet that the union accountant pre-

*Sidney Reiss—for the Government—Recross*  
*Sidney Reiss—for the Government—Redirect*

pared as he examined these books; is that correct? A. That's correct.

Q. And did he make other entries on that sheet? A. Yes.

\* \* \* \* \*

Q. Is the entry for Mr. Chaiken one of the many entries on that sheet? A. Yes.

Q. Are there other entries which have amounts in (547) excess of \$179? A. Yes.

Q. Is there an entry on that sheet for July 26th? A. Yes.

Q. What company? A. Royal Fabrics.

Q. What is the amount of that entry? A. \$1,750.

Q. And the entry for Mr. Chaiken appears on the same sheet as that entry for \$1,750? A. That's correct.

\* \* \* \* \*

(548) \* \* \*

Mr. Fryman: No further questions.

Recross-examination by Mr. Rooney:

Q. On this document, Mr. Reiss, there are many entries; is that correct? A. Yes.

Q. The only entry on contracting is for the \$179 with Mr. Chaiken; isn't that right? A. That's the only one that has a note with the firm that states that the 14 garments were finished from (549) June 11th to July 10th.

Q. So that is the only entry on contracting; isn't that right? A. That's the only entry on contracting.

Mr. Rooney: Nothing else.

Redirect Examination by Mr. Fryman:

Q. Mr. Reiss, referring back to the entry that we discussed a minute ago— A. Which one?

*Sidney Reiss—for the Government—Redirect*

Q. July 26th, Royal Fabrics, \$1,750. What is that entry for? A. I don't know.

Q. Do you know whether it is for contracting or not? A. No.

Q. You don't know? A. No.

Q. What about the entry, the first one, June 13th, Lou Waxman, \$500? Do you know if that's for contracting or not? A. No, but I think—there are some bills here from Lou Waxman.

Q. The question is: do you know—— A. This is from the cash book.

(550) \* \* \*

Q. Continue, Mr. Reiss, if you had something further to say. A. There's nothing to say. This is from the cash book. It looks like it's a payment, part payment against bills. The bills—from what I see here, some of the bills are for garments. That's what it shows. I don't know what it's for.

Q. It is correct, is it not, that all of the entries on the first page of Government's Exhibit 15 were made by the union accountant? A. Yes.

Q. And there are numerous entries on that page? A. Yes.

\* \* \* \* \*

(551)

Q. Do you know whether any of these entries were for contracting other than the entry for Mr. Chaiken? A. No.

Q. You don't know whether they were or not? A. No.

\* \* \* \* \*



*Irving Anolik—for the Government—Direct*

IRVING ANOLIK, called as a witness, having been duly sworn, testified as follows:

The Court: Proceed.

Direct Examination by Mr. Sabetta:

Q. Mr. Anolik, you are an attorney; are you not? A. I am an attorney.

(552) \* \* \*

Q. Do you know a Charles Hoff? A. I have met the man, yes.

(553)

Q. When for the first time? A. Well, I had some notations I made, Mr. Sabetta. I would prefer to refresh my recollection if I could.

Q. All right. A. I would say it was around the latter part of 1970, but I'm just saying I perhaps could give you a better estimate if I had something to refresh my recollection.

Q. All right. Before I do that, may I ask you if you see Mr. Hoff in this courtroom? A. I believe he's the gentleman in the brown suit.

Q. Would you specify more specifically.

Mr. Abramowitz: Identification conceded.

The Court: All right.

Q. I show you Government's Exhibit 25 for identification. Does that refresh your memory as to when for the first time you met Mr. Hoff? A. I would say it would, yes. It appears to be the 8th day of November, 1970.

Q. What is that document I have shown you? A. These are some notations that I made, in my handwriting, when I met Mr. Hoff and a Mr. Jack Glasser in my office.

(553a)

*Irving Anolik—for the Government—Direct*

Q. There's an item attached to that sheet of paper. Would you describe what that is? A. That is a business card that was given to me by Mr. Hoff.

(554)

Q. Now would you describe the circumstances surrounding the facts to this meeting of November 8, 1970? A. Well, I had never met either of these three gentlemen before, and, of course, we are going back, Mr. Sabetta, quite some time, you can appreciate. But as I recall, my secretary got a call for an appointment, or else they had come up to see someone else in my suite—there were several attorneys who had been renting offices in the suite—and there came a time that these gentlemen came in my room. I don't recall whether it was specifically by prior appointment or whether they had come up to see another attorney who was no longer practicing in the suite, but they did come in to see me.

Q. What took place at the meeting that followed? A. I will give you my best recollection. They came to my office and they introduced themselves. Mr. Glasser had indicated that he had been with the Association of Fur Manufacturers at 101 West 30th Street for a number of years, that he was now retired, and that he was having difficulty getting his pension.

Mr. Hoff indicated to me that he had been a friend of this man for many, many years, that he wanted to do anything humanly possible to help this man.

(555)

The details they explained to me is apparently after 34 years he had retired and he wasn't getting his pension—shall I continue and relate—

Q. If you can. A. May I refresh my recollection from my notes here?

Q. To the extent you need to. A. Apparently they indicated that one of the employers who utilized the service of Mr. Glasser's organization was one, Sherman Brothers,

*Irving Anolik—for the Government—Direct*

and that apparently one of the reasons that Mr. Glasser was not getting his pension is that this Sherman indicated he had given money to Jack Glasser. I asked Mr. Glasser whether he had made demands and what-not?

He said, "Of course, I made no demands." He said at some kind of hearing he tried to subpoena Mr. Sherman, but Mr. Sherman never came, and he had been told by a Mr. Greenberg that he was not entitled to his pension because he had taken money from the employer. I asked him whether or not that was so.

He said, "No, I wouldn't ask for my pension if it was so. I would like very much to get my pension. I believe I am entitled to it."

I said, "Right now if you have a vested interest (556) in the pension, you have a right to your pension."

And Mr. Hoff said he thought that these people were perhaps bluffing altogether, that maybe a lawyer's letter might help in the case.

I said, "It certainly can't do any harm," and I believe that I wrote two letters altogether, and I do not believe that I had the courtesy of a reply, although I did speak, I believe on the phone, at least once or twice to a Mr. Greenberg about the situation generally, and I came to the conclusion, I would say it would have been in late February of '71 or early March of '71 that the matter would not be ameliorated by letters, that there probably would have to be a lawsuit, and, frankly, this was not the type of case that I wanted to get myself involved in, because I was quite busy at the time in other matters, and I mentioned the fact that there was a young lawyer who rented space in my suite by the name of David Pravda, who I thought was a bright young man, and I felt I would turn the case over to him, he had a lot more time, and would let him try to collect it or bring a lawsuit or do anything else that had to be done, and I do know I turned

*Irving Anolik—for the Government—Direct*

the case over to him, and after March, 1971, I had nothing to do with the case at all.

Q. To your knowledge the pension was not received?

(557) A. To the best of my knowledge, no.

Q. Was there any discussion of fees at this first meeting? A. At either the first or second meeting—I believe I had two meetings with these gentlemen—at one of the two meetings, it could have been the first one, I indicated that it seemed to me that after 34 years this man was certainly entitled to something.

He indicated that he needed the pension. And I believe the amount I suggested as a fee if we were ultimately successful would be \$2000.

Q. Now, you say you met again with both of these two men? A. My best recollection is that I met them again in February of 1971.

Q. Again in your office? A. Yes, that is the only place I ever met them.

Q. Did you ever receive any moneys for any of the services rendered? A. My best recollection is in February '71 I received a fee of \$500.

Q. I show you Government's Exhibit 26 for identification and ask you if you can identify that? A. Well, this appears to be a deposit slip. (558) I recognize by account number. It is a \$500 deposit to my account as attorney, Irving Anolik, attorney, and since I know by account number I know it is in my account, and this is the deposit slip for \$500. It would have been on or about February 24. I don't know if I deposited it the same day or not. But it would be on or about the 24th day of February '71.

Q. Do you have the original of the deposit slip? A. I do not.

Q. Did you look for it? A. I looked for it all over, and I just don't have it, but this is an exact photostat, however, that I got from the bank.



*Irving Anolik—for the Government—Direct*

Q. Now, was it on the second occasion of the visit of both these two men that you received this \$500? A. That is my best recollection.

Q. Do you recall which of the two men actually paid you the money? A. I honestly do not recall. I just do not recall. I know I got \$500. When they left I turned it over to my secretary and said, "Deposit the \$500."

Q. Did you receive it in cash or check or some other form? A. I would say that I received it in check. (559) You see, I would deposit, whether it was cash or check. Now the reason I say I think it is a check is this:

It is under the word "check". My recollection is when I do deposit cash, the teller usually makes a line under the figure, and that is why I say I would assume that would have to be a check, because it is next to the word "check" and there is no line under the figure. So I have to assume it is a check.

Q. Have you made any effort to retrieve that check? A. I made elaborate efforts and the bank just doesn't have a copy of the check.

\* \* \* \* \*

(560) \* \* \*

Q. Mr. Anolik, do you know whether after the visit that you just described as being the first visit, your office ever heard from Mr. Hoff again by phone? A. Well, you handed me 27 for identification, and as I say my recollection would not be refreshed by it, except that I can say that this is a memo from the desk of Bea Stark, my secretary, and it indicates that a call was received from Charlie Hoff and it was referred to Mr. Pravda apparently in accordance with my instructions that anything on the case would be referred to Mr. Pravda.

I can't tell you what matter this was, but I would have to assume that it had to do with the Glasser case

\* \* \* \* \*

*Irving Anolik—for the Government—Cross*

(561) \* \* \*

Cross-examination by Mr. Abramowitz:

Q. During this conversation on November 8, 1970, between Mr. Hoff, among Mr. Hoff, yourself and Mr. Glasser, Mr. Glasser, you said, denied the accusation that Mr. Sherman has been giving him money? Is that correct?

A. Well, he certainly did, because I would not have proceeded to even write a letter if it had been otherwise.

Q. Did he discuss with you any allegation by the Association that Mr. Glasser had been giving money to the union? A. To the union?

Q. To the union. A. I don't recall any such thing. Can I see my notes?

Q. Sure. No, I have nothing whatsoever in my notes and I have no independent recollection of any such thing being said.

(562)

Q. Your answer is no? A. That is right.

Q. You said, didn't you, that Mr. Hoff introduced himself to you as an old friend of Mr. Glasser's? Is that correct? A. My recollection, Mr. Abramowitz, is that I inquired who Mr. Hoff was. He gave me a business card. He said, "I have known the man for many years; I would do anything humanly possible to help this man. Anything I can do, I would like to help him."

\* \* \* \* \*

*Walter Stiel—for the Government—Direct*

(565) \* \* \*

WALTER STUART STIEL, called as a witness, having been duly sworn, testified as follows:

Direct Examination by Mr. Sabetta:

Q. What is your present occupation, Mr. Stiel? A. Manufacturing sport furs.

Q. What is the name of the company with which you are associated? A. Fourrures Sport Limited.

\* \* \* \* \*

(568) \* \* \*

Q. When you first started, were you a union or non-union place of business? A. Non-union.

Q. Did there come a time when you became a union place of business? A. Yes.

Q. Yes? A. Yes.

Q. Approximately when that? (569) A. 1964.

Q. At that time did you also become a member of a trade association? A. Yes.

Q. Which one was that? A. Associated Fur Manufacturers.

\* \* \* \* \*

Q. In about 1964 or so when you became a union shop, how many employees did you have at that time? A. Six; five, six.

Q. How long did this firm do business, Walt-Stiel, Inc.? A. Until 1971.

Q. At that time was the firm dissolved? A. Yes.

Q. How many employees did you have at the time the firm came to an end? A. Between eight and ten.

(570) \* \* \*

Q. Do you know a Victor Lust? A. Yes.

Q. Who is Mr. Lust? A. He was a small union shop, manufacturer.

Q. Do you know how many people work in his shop? A. Very small, either one or two or none. I don't know.

Q. Where was he located in 1968? A. I think it was 146 West somewhere—he was across the street.

*Walter Stiel—for the Government—Direct*

Q. He was very close to where your shop was located?

A. He was on the same street.

Q. Did you in 1967 and '68 have any business relationship with Mr. Lust? (571) A. Yes.

Q. Will you describe for us what that was, generally?

A. He manufactured garments for us.

Q. With respect to the work done by Mr. Lust for you, did you experience any conflict or difficulty with the union? A. On one occasion.

Q. Did the union file a complaint against you? A. Yes.

Q. In fact, they filed several complaints, didn't they, during the period of 1968? A. I remember only one.

Q. What was the offense that you were accused of having committed? A. The offense was contracting.

Q. Did the business agent or any other agent of the union ever show you any documents in connection with this matter? A. Yes.

Q. What was that? A. It was a bill which was written out by Lust for labor.

Q. Do you know whether any action was taken against Mr. Lust with respect to this same matter? (572) A. I heard about it.

Q. When was that? A. In '68.

Q. What part of '68? A. The latter part of '68.

Q. When you say, "The latter part"—A. The second part of '68.

Q. Would it be more nearly the last third of 1968, let's say the months of October, November and December, in that period? A. Could be October, November.

Q. What action was taken against Mr. Lust? A. He was fined.

Q. How much? A. As far as I know, \$750.

Q. At this time had the matter of the complaint or complaints against your firm been resolved yet at the time Mr. Lust was fined? A. No, they were still pending.



*Walter Stiel—for the Government—Direct*

Q. What, if anything, did you do upon hearing of Mr. Lust's fine of \$750? A. He tried to settle the matter peacefully.

\* \* \* \*

(573) \* \* \*

Q. When you said you were looking for a way to settle it peacefully, did you have in mind by that going before the impartial chairman? A. Obviously not.

(574)

Q. What did you do in your quest to settle this peacefully? A. We tried to approach, we made contact with somebody in the union.

Q. Did you, in fact, talk to a union official at some point about the matter? A. Yes.

Q. Who was that union official? A. Mr. Gold.

\* \* \* \*

Q. Where did you meet Mr. Gold on this occasion that you are referring to? (575) A. In the fur market.

Q. Do you mean in a room or on the street or where? A. In the street.

Q. On the street somewhere? A. Yes.

Q. And approximately what time of year was this? Do you recall, Mr. Stiel? A. It could be in the fall of 1968.

Q. On this occasion will you tell us as best you can what you said to Mr. Gold and what he said to you? A. Well, I said what I said before, if it could be settled in a peaceful manner.

Q. Did you tell him what it was you were talking about?

Mr. Rooney: I object. Can we just have the conversation?

The Court: Overruled. He is trying to get the conversation. What was said by you? What was

*Walter Stiel—for the Government—Direct*

said by him. Tell us to the best of your recollection.

The Witness: What was said, that is what I said, whether it could be settled in a peaceful manner.

Q. What is the "it" that you were referring to? A. The "it" was the charge.

(576)

Q. The contracting charge in your firm? A. Yes.

Q. What, if anything, did Mr. Gold about this? A. He would let me know.

Q. Did there come a time when you heard again from Mr. Gold? A. Yes.

Q. Approximately how much later in time after this first meet? A. A week or two.

Q. Where did the second meeting take place? A. In the fur market.

Q. Again on the street? A. Yes.

Q. Was anyone else present at that time? A. No.

Q. Was anyone present at the first meeting? A. No.

Q. Between you and Mr. Gold? A. No.

Q. At the same meeting what, if anything, did Mr. Gold say to you and you to him? A. That we could pay \$750.

Q. Who spoke first and who said what? (577) A. I certainly didn't speak first.

Q. What did Mr. Gold say when you approached him or he approached you? What was said by him and what did you say in response to him? A. That is all I can remember.

Q. Tell us again, because I didn't hear it myself. Will you tell me what Mr. Gold said to you and what you said to him on that occasion? A. It costs \$750.

Q. It costs \$750? A. It would be in that order. I don't remember what he said exactly.

*Walter Stiel—for the Government—Direct*

Q. But the cost, in substance, was \$750 to you? A. Yes.

Q. What did you say to him? A. Whether we could pay that off; we were a small firm; we didn't have that money available.

Q. What do you mean by paying it off? A. In installments.

Q. What did he say to that proposal? A. Yes.

Q. Did there, in fact, come a time when you paid money to Mr. Gold? A. Yes.

(578)

Q. And when was that approximately? A. December, '68.

Q. Where did that take place? A. In my office; in my place.

Q. Somewhere in your business? A. Yes.

Q. On that occasion how much did you give him? A. \$350.

Q. And in what form? A. In United States currency.

Q. Was anyone else present at that time? A. In the office? What do you mean?

Q. Present in the immediate vicinity of where you handed him the money? A. No.

Q. Now, did there come a later time when you gave Mr. Gold additional money? A. We had to save that from our wages.

Q. And when was that? A. The end of January.

Q. Of the following year? Yes.

Q. That would be 1969? (Witness nods his head.)

(579)

Q. You have to say something to the reporter. A. Yes.

Q. The reporter can't get your head moving. A. Yes.

Q. And on that occasion how much did you pay him?

A. The balance.

Q. And that was how much? A. \$400.

Q. In what form was that paid? A. United States currency.

*Walter Stiel—for the Government—Direct*

Q. I ask you to look at Government's Exhibit 24 for identification and tell us whether you can identify that.

A. Yes.

Q. What is it?

\* \* \* \*

A. These are numbers.

(580) \* \* \*

Q. Is this the document that you made? A. Yes.

Q. Approximately when did you make it? A. We made it before we paid it over, before we made the payment.

Q. Before you made the first payment? A. Yes.

Q. And you said it contains numbers? A. Yes.

Q. Numbers of what? A. Serial numbers.

Q. Serial numbers of what? A. Of the money we paid.

The Court: Is that in your handwriting?

The Witness: Yes.

Q. These are the serial numbers of the moneys you (581) paid—

The Court: Don't explore it any further.

Mr. Sabetta: I offer it, your Honor.

Mr. Rooney: No objection.

The Court: Received in evidence. (Government's

Exhibit 24 received in evidence.)

Q. Now, Mr. Stiel, there is some writing in here on this document in red ink. Do you see that? A. Yes.

Q. Is that your handwriting? A. No.

Q. Whose handwriting is it? A. It could have been the office girl.

Q. Did you see this letter here? A. Yes.

Q. What does it stand for? A. "G".

Q. Standing for what? A. It must be to who it was paid.

Q. Now, there seems to be or it is page out of a calendar marked March 20, 1969? Is that right? A. That is correct.



*Walter Stiel—for the Government—Direct*

Q. Where did you get this page from? A. The bank sends the calendars out in December or (582) November. And you use it as scrap paper.

Q. Did you take this from the calendar that you had around? A. Yes.

Q. And before paying the money to Mr. Gold you recorded the numbers of this document? A. Correct.

The Court: What are these numbers?

The Witness: Serial numbers.

The Court: Bank serial numbers or automobile serial numbers?

The Witness: I don't think it is automobile serial numbers—what do you call it—United States currency numbers.

The Court: United States currency serial numbers.

Mr. Sabetta: Your Honor, may I pass this to the jury?

The Court: Yes. (Government's exhibit in evidence given to the jury.)

Q. On that first occasion when you handed money to Mr. Gold it was in the form of cash? Is that right? Currency? A. United States currency is cash, no? (583)

Q. Those numbers on that piece of paper, are they related to the money you paid to Mr. Gold on that occasion in any way? A. It must be.

Q. What are they? A. What do you mean, "What are they?"

Mr. Rooney: I object.

The Court: Just a moment. How long have you been in this country, Mr. Stiel?

The Witness: Since '47.

*Walter Stiel—for the Government—Direct*

Q. You speak the English language very well.

The Witness: I don't know how you would say it.

The Court: You understand what this lawyer is asking you?

The Witness: Yes.

The Court: Now, you answer his questions and let's not have a lot of smart answers.

Q. Mr. Stiel, what I am asking you is this: the numbers on this piece of paper that is now being circulated, do they in any way relate to the first payment of moneys that you gave to Mr. Gold? A. Yes.

Q. What are they? What is the relationship? A. I don't know what you mean what is the (584) relationship.

The Court: What are the numbers?

Q. Where did you get those numbers from, is really the question. A. They are the bill numbers.

Q. From the currency that you handed to Mr. Gold? A. Yes.

Q. Where did you get the \$750 in cash that you gave to Mr. Gold on these two occasions? A. We saved it up from wages.

Q. When you say "we," whom are you talking about? A. My partner and I. It was a corporation, two partners.

Q. You took this money out of your income? A. Out of personal income.

Q. Now, at the time you paid these moneys to Mr. Gold, approximately what was the volume of the business that your firm was doing? A. About \$200,000, \$250,000.

Q. How many employees did you have? A. About eight, six to eight.

*Walter Stiel—for the Government—Cross*

Q. Now, Mr. Stiel, with respect to any and all complaints which may have been filed against your firm in the year 1968 for contracting, did you ever appear before (585) the impartial chairman on any one of them? A. We did appear.

Q. In 1968? A. I don't think in 1968.

Q. Were you ever fined for any of the complaints filed against you for contracting in 1968? A. By the chairman? No.

Q. Was your shop ever placed on strike by the union in 1968 for any of the contracting complaints filed against you? A. No.

\* \* \* \*

Cross-examination by Mr. Rooney:

\* \* \* \*

(586) \* \* \*

Q. So while although there are three contracting complaints, we are talking about the one event with Mr. Lust? Isn't that right? A. The one event where we had a bill.

\* \* \* \*

(588)

Q. With respect to Government's Exhibit 24, which I will show you, that is a list that you prepared of the serial numbers on the bills that you gave to Mr. Gold; is that right? A. Yes.

Q. This is money that you paid out; is that right? A. Yes.

Q. Or is it money that you received? A. No.

Q. You are sure of that? A. Yes.

Q. There is no question in your mind about that? A. No.

Q. Is this a practice that you have of writing down serious numbers on a sheet of paper when you give out money? A. It's not a practice.

*Walter Stiel—for the Government—Cross*

Q. Is this the only time you have ever— A. This is the only time.

Q. Yours basically is a cash business; isn't that right? A. No.

Q. No? A. No.

(589) \* \* \*

Q. How much were you earning in income in 1969, approximately? A. 10, 15,000.

Q. On a volume of what, 230,000 in 1969? A. It was two.

Q. 200,000. That's what you reported on your tax return, 10,000; is that right? A. I don't know. You have the tax return.

Q. What is your best recollection? A. You got the tax return. I don't have it.

Q. You have no idea of what you reported in 1969; is that right? A. Could be 15,000.

Q. Could be 15. At that time you had six to eight employees; is that right? A. Yes.

Q. What were they earning on the average, approximately? A. At that time? Six, eight.

(590)

Q. Thousand dollars? A. Yes.

\* \* \* \* \*

Q. You say you paid this money in two installments to Mr. Gold? A. Yes.

Q. Is that correct? A. Yes.

(591)

Q. And the first time you paid him \$350; is that right? A. Yes.

Q. You think that was about when in December of 1968? A. Towards the end of December 1968.

Q. The end of December. Around December 21, 1968? A. Yes.

Q. Did you make a bank withdrawal of all this money on or about that date? A. No.



*Walter Stiel—for the Government—Cross*

Q. Where did the \$350 come from? A. We had saved up from our own wages which we drew, that is for two people, not for one.

Q. I'm sorry, I didn't hear your answer.

The Court: Would you read that back, Mr. Reporter.

(Answer read.)

Q. Who is the other person? A. My ex-partner.

Q. What is his name? A. Martin Stern.

Q. Is he still alive? (592) A. He's alive, I guess.

\* \* \* \* \*

Q. Before you paid these moneys to Mr. Gold, you say you went to your petty cash box; is that right? A. No.

Q. Tell me, where did you get the money? A. We drew every week—I don't know at that time—120 or \$150. From that money we paid it.

Q. You saved it up for a number of weeks? A. Yes.

Q. Is that right? A. That's correct.

Q. About how many weeks did you save up the 350? A. Six weeks, eight weeks.

Q. It could be as long as eight weeks; is that right? A. Yes, it could be.

(593)

Q. That would take it back to some time in October of 1968 when you first had your conversation with Mr. Gold; is that right? A. \$175, that doesn't take that long.

Q. I thought you said it took as long as eight weeks? A. It could take eight weeks.

Q. What is your best estimate? It was your money, was it not? A. Six weeks, I don't know.

\* \* \* \* \*

*Walter Stiel—for the Government—Cross*

(597) \* \* \*

Q. So you say Mr. Gold decided or agreed to wait about six weeks for this \$750; is that right? A. Yes. He didn't press us.

Q. When you first met him, you met him some place in the market, right, in the fall of 1968; is that right? A. What do you mean by first met him?

Q. You mentioned a number of meetings and you described one meeting as your first meeting. Do you recall that? (598) A. On that case?

Q. Yes. A. Yes.

Q. That was in the fall of '68? A. Yes.

Q. Pardon me? A. Yes.

Q. Where did you meet Mr. Gold at that time? A. In the fur market.

Q. The firm office? A. Not in the office. The first time?

Q. Yes. A. In the street.

Q. In the street? A. Yes.

Q. Where in the street? A. Between 29th Street—on 29th Street or 30th Street.

Q. Had you telephoned Mr. Gold and arranged to meet him? A. You don't have to telephone Mr. Gold. He stands there every day.

Q. How was it that you met him? A. I went to him. (599)

Q. You did. Where did you meet him?

Mr. Sabetta: It's been asked and answered, your Honor. He said 29th, 30th Street.

The Court: He did answer it.

Q. You had a conversation with him; is that right? A. Correct.

Q. What did you say to him? A. Whether we could settle the matter in a peaceful manner.

*Walter Stiel—for the Government—Cross*

Q. Anything else you said? A. Not that I know of.

Q. What did Mr. Gold say? A. He would let me know.

Q. Then there was a second meeting; is that right?

A. Yes.

Q. When did that take place, approximately? A. A week or two later.

Q. Do you recall where you met Mr. Gold on that occasion? A. In the fur market.

Q. Did you have an appointment with him or did he just appear in the office? A. He did not appear in my office.

Q. I'm sorry. Did you say in the fur market? (600)

A. Yes.

Q. Excuse me. Do you recall where in the fur market?

A. On 29th Street, 30th Street.

Q. Was this in a corner or— A. On a corner. I don't know where. He stands in front of a house or in front of a fur building. I don't know exactly.

Q. He was just standing out in the street? A. Yes. He stands there every morning.

Q. You met him in the morning, right? A. Yes, could be in the morning.

Q. You had another conversation with him; is that right? A. Yes.

Q. This takes us into what month, approximately? Are we up to December of 1968 yet? A. No, that was before December.

Q. In November of 1968; is that right? A. It could be October, November. I don't know.

Q. How much time elapsed between the first meeting and the second meeting, approximately? A. Could be six, eight weeks. I don't know.

Q. What is your best recollection? (601) A. We were not pressed for time.

Q. What is your best recollection, Mr. Stiel, just approximately?

*Walter Stiel—for the Government—Cross*

Mr. Sabetta: Which meeting are we talking about?

Mr. Rooney: We are talking about between the first meeting and the second meeting in the fall of 1968.

A. Between the first and the second?

Q. Yes. A. I said that before, a week or two.

Q. A week or two. No longer? A. Between the first and the second?

Q. Yes. A. Yes, I said that before.

Q. It's at the second meeting that Mr. Gold mentions, according to your testimony, \$750; is that right? A. Correct.

Q. The second meeting is in October or November; do you recall? A. That I don't recall.

Q. But it's at this meeting or after this meeting that you start to save the money; is that right? A. After we knew the price. We didn't save (602) beforehand.

Q. You started to save the time after the second meeting; with Mr. Gold; is that right? A. Yes. We asked whether we could pay it off.

Q. The complaint against you and Mr. Lust was filed in March of 1968, March 29; is that right? I will show you Government's Exhibit 16, if you would like to review that. A. Yes.

Q. During this time from March 29, 1968 up to October or November of 1968, did you discuss this complaint with Mr. Lust? A. Did I discuss this complaint with Mr. Lust?

Q. Yes. A. Possibly.

Q. Did you discuss this complaint with Mr. Lust?

Mr. Sabetta: Your Honor, he just answered.

Mr. Rooney: Possibly is not much of an answer, I am afraid.



*Walter Stiel—for the Government—Cross*

Mr. Sabetta: It may be his recollection.

Mr. Rooney: I can probe this.

The Court: All right. I will allow it.

A. Can I say something here? I don't know.

(603)

Q. Can you answer the question? Did you discuss this complaint with Mr. Lust from the time it was filed, March 29, 1968, until about October or November, six months later, 1968? A. Did I discuss this complaint?

Q. Yes. A. No.

Q. Did you tell Mr. Lust that the union had charged you with contracting during this period? A. We told him the union came up with it, yes.

Q. You had a conversation with Mr. Lust in which Mr. Lust told you that you put him on the hook with the union; did he not? A. I put him on the hook with the union?

Q. Yes. A. I object to that question.

The Court: Reframe your question.

Q. Mr. Lust told you that he was charged by the union with contracting, did he not, in 1968? A. No, Mr. Lust did not come to me first. The union came with the bill from Mr. Lust, the \$85 bill, and Mr. Lust was a union shop.

Q. Yes, but he was not a member of the Association, was he? A. That has nothing to do with it.

(604)

Q. Mr. Stiel, please, was Mr. Lust a member of the association to your knowledge? A. Mr. Lust?

Q. Yes. A. At that time I didn't even question it. I don't know whether he was or he wasn't.

Q. But you were a member of the association? A. Yes.

Q. The union has a right, does it not, with an independent shop which is union but which is not a member of the association, to file a contracting complaint against such a

*Walter Stiel—for the Government—Cross*

shop, does it not? A. The union might have the right. I do not know.

Q. The fact of the matter is the union did charge Mr. Lust with contracting, did it not? A. The union charged Mr. Lust with contracting.

Q. Now, did Mr. Lust complain to you—I withdraw that. The union came to you on March 29, 1968, and charged you with contracting, isn't that right? A. The union came with the bill for Mr. Lust for labor and charged us with contracting, correct.

Q. The union found Mr. Lust's name in your books? A. No, the union found our book in Mr. Lust's—(605) our name in Mr. Lust's book.

Q. And Mr. Lust blamed you for that, did he not? A. He blamed me for that?

Q. Yes. A. Why should he blame me for it?

Q. Did he? A. He was a union shop and we were a union shop. Why should he blame me?

Q. Because he was charged with a violation by the union. A. Because he wrote down the labor on the bill. That's why he was charged.

Q. He blamed you for it? A. Why should he blame me?

Q. Did he blame you for it, Mr. Stiel? A. He did not.

Q. You at one time said that Mr. Lust—withdrawn. You were interviewed by a detective, a New York City detective in this case, were you not? A. Was he a detective? I don't know. I was interviewed by somebody. I don't know whether he was a detective.

Q. Detective Civitano, were you interviewed by him?

A. It was an official of the United States Government. I don't know if it was a detective or not.

(606)

Q. You told Detective Civitano that Mr. Lust was fined \$1,500, did you not? A. I might have said that, yes.

Q. Did you say it or didn't you say it? A. I don't

*Walter Stiel—for the Government—Cross*

know whether I said it or I didn't say it, but I could have said it.

Q. Now, you say he was fined \$750, is that your testimony? A. Now I say it, yes, because now—at that time I didn't recollect any more how much it was exactly.

Q. You told him \$1,500 at that time, did you not? A. I might have told him, but I did not check Mr. Lust's fine. I didn't check his books any more.

Q. You also told Detective Civitano that you were fined \$3,000 by the union? A. I did not say that.

Q. No? A. No.

Mr. Rooney: Let the record reflect I am showing the witness Government Exhibit for identification 3523 and asking the witness to examine this document.

The Witness: What I said was——

Q. Excuse me, Mr. Stiel. See if it refreshes your recollection. (607) A. That was a misunderstanding.

Q. Please look at the document. A. I know what I said.

Q. You don't want to look at the document? A. I said we could have been fined \$3,000. How could I say I was fined \$3,000? It doesn't make any sense.

Q. Will you look at this document and see if it refreshes your recollection?

Mr. Sabetta: He hasn't indicated he has any failure of recollection. He said he never said that.

The Court: If you are showing it to him to refresh his recollection, objection sustained.

A. I did not say it.

The Court: Just a moment.

The Witness: How could I say it?

*Walter Stiel—for the Government—Cross*

The Court: Just a moment.

Mr. Rooney: That's fine. Thank you, your Honor.

The Witness: I know exactly what I said.

The Court: Mr. Stiel, please, just a moment. Hand it back, please. All right.

Q. It is your testimony that you did not tell Detective Civitano that you were fined \$3,000, is that right? A. No, I did not.

(608)

Q. No doubt in your mind about that? A. No doubt in my mind.

\* \* \*

(611) \* \* \*

Q. Now, during this interview this investigator asked you certain questions and you gave him certain answers? A. Not the patrolman.

Q. This man asked you certain questions and you gave him certain answers, correct? A. Yes.

Q. My question is in this conversation with this man, did you tell him that Mr. Gold approached you and that you told him, Mr. Gold, that you would pay \$500 to him? A. I did not.

Q. You didn't tell this investigator that you said (612) you would pay Mr. Gold \$500? A. No.

Q. Is that right? A. No.

Q. No doubt in your mind about that? A. No doubt in my mind.

Q. Before you paid this money, you copied the serial numbers down, is that right? A. Yes.

Q. Have you ever done this before? A. No.

Q. This was money that was going out, is that right? A. Yes.

Q. Why did you copy the serial numbers down; what was the reason for that? A. So you don't call me a liar.



*Walter Stiel—for the Government—Cross*

Q. How could anybody ever trace these serial numbers?

Mr. Sabetta: Object to that question, your Honor.

Q. Do you know? A. That's none of my business.

The Court: Go ahead.

Q. How could anybody ever trace these?

Mr. Sabetta: Objection.

(613)

A. What do you want from me?

The Court: No, I will allow it.

Q. Pardon me? A. What do you want from me? I should trace them for you?

Q. An answer, please. What were you thinking of when you wrote these numbers down on this paper, Government Exhibit 24?

Mr. Sabetta: I object to the operation of the witness' mind. I object to this on the ground it calls for the operation of the witness' mind.

Mr. Rooney: He wrote it down.

The Court: I will allow the question. I will allow it. What did you have in mind when you wrote those numbers down?

The Witness: That I have a record in case my partner would ever hold against me, that I have the record of it and I don't know who gave me away in this investigation. It might have been him.

*Walter Stiel—for the Government—Cross*

- Q. But what use would the serial numbers be to you?  
A. That's my proof that they weren't put in my pocket.  
Q. Proof of what? (614) A. Proof of what?  
Q. Right. A. That I gave it to him.

Mr. Rooney: Could I have the last question and answer read. (Record read.)

The Witness: I said something about "my pocket."

The Court: That was in the preceding answer, I think.

- Q. You copied these serial numbers down so that if your partner raised any question, you could show this document to him, is that right? A. That is right.

Q. Did you partner ever raise any question? A. Did he?

Q. Yes.

The Court: He says, did he?

Q. Did he? A. Maybe he turned it into the United States.

The Court: Did he ever raise any question to you, Mr. Stiel?

The Witness: Did he raise any questions to me?

Q. About what happened to the money. A. No.  
(615)

Q. It is your testimony that half of this money was his, isn't that right? A. If what?

Q. Half of the \$350 was your partner's money. A. Half of it was, yes.

Q. And you think that by writing the serial numbers down that was proof that you paid this money out to somebody for your partner, is that right? A. Correct.

*Walter Stiel—for the Government—Cross*

Q. Can you answer my question as to how this would be proof of that?

Mr. Sabetta: I object to that.

The Court: I sustain the objection. Go ahead.

Q. In November of 1968 did you speak to Mr. Lust about the contracting violation that was levied against him by the union? A. I might.

Q. What is your best recollection; did you or didn't you? A. I think Mr. Lust called me and told me that the union approached him and if he does not pay his fine within 24 hours, they close him up.

Q. His fine was \$750, isn't that correct? A. As I understand now, yes.

(616)

Q. Isn't it a fact that Mr. Lust told you that he held you responsible for that \$750 fine that he had to pay the union? A. No, no, it wouldn't make any sense either.

Q. No? A. No.

Q. That is not a fact, is it? A. No. It doesn't give jive either.

Q. The numbers just happen to jive, though, is that right, the \$750? A. Maybe that could be.

Q. Is there any doubt about that? A. I didn't fine Mr. Lust \$750.

The Court: Move along.

Q. Mr. Lust was fined before you paid this money to Mr. Gold, is that right? A. Correct.

Q. And he was fined, I think, on November 15th of 1968, is that right? A. You have the documents; I don't.

Q. You say he was fined in November of 1968? A. It could be, yes.

*Walter Stiel—for the Government—Cross*

Q. Pardon me? A. It could be. I don't know. You have the documents (617) of when he was fined.

Q. I thought you just mentioned November of '68. A. It could be. I don't know whether it was November or October.

Q. But about that time you had a conversation with Mr. Lust, didn't you? A. Yes.

Q. In November of 1968, yes? A. When he was fined, he told me.

Q. That was around November of '68?

The Court: Just a moment. You have testified that it was in the latter part of 1968 that you understood that Mr. Lust was fined \$750?

The Witness: Yes.

The Court: Now, are you able to fix the date more specifically as being November of '68?

The Witness: No, I am not in a position to do that correctly because these documents are black and white and I can't remember. I had nothing to do with it. I didn't have nothing to do with Mr. Lust's fine.

Q. When do you think you spoke to Mr. Lust about the \$750 he had to pay, about when? A. Before I approached Mr. Gold.

Q. You are sure of that? (618) A. That's for sure.

Q. So, when you approached Mr. Gold, you knew that Mr. Lust had to pay \$750? A. That's right.

Q. If you had been fined by the union, that would have been your fine, is that your testimony? Is that your testimony, Mr. Stiel? A. Yes—if I was fined—

Q. By the union, you would have had to pay \$750, is that right? A. By the union?

Q. For your fine. A. Or by the impartial chairman?



*Walter Stiel—for the Government—Cross*

Q. The impartial chairman. A. I would have to pay maybe five or six times more.

Q. More? A. That's where the \$3,000 came in.

Q. So now you do remember telling the detective \$3,000, is that your testimony? A. No. I do remember exactly what I said.

Q. To the detective? A. I didn't say to the detective that I was fined \$3,000. I said to the detective I could have been fined \$3,000.

(619)

Q. Mr. Lust paid \$750 to the union, that's clear, is it not, for this violation? A. That's on record, I think, yes.

Q. Did Mr. Lust tell you that he wanted you to pay his fine of \$750? A. No.

Q. No? A. No.

Q. By the way, you considered this contracting violation to be a mere technicality, did you not, back in March of '68? A. Precisely.

(621) \* \* \*

Q. Now, in December of '68 the son of Mr. Gold purchased a coat from you, did he not? A. He purchased a coat?

Q. Mr. Gold's son? A. No, it was a daughter.

Q. The daughter purchased a coat? Two coats? Correct? A. Yes.

Q. And what kind of coats were they? A. Two fun coats.

(622)

Q. To what? A. Fun fur coats.

Q. Two rabbit coats? A. In that order. I don't know.

Q. How much did they cost approximately? A. About \$200 each.

Q. \$200 apiece? A. 200, a hundred and fifty. I don't remember. Wholesale or retail?

Q. How much did you charge for them? A. How much I charged for them?

*Walter Stiel—for the Government—Cross*

Q. For the two coats at that time approximately? A. Nothing.

Q. You were giving away coats? A. I was giving away coats? You could figure it that way, maybe, yes.

The Court: Now, just give straight, candid, simple answers, please.

Q. How much were these two coats worth at this time approximately? A. To me?

Q. Yes. A. Peace.

Q. Excuse me? Peace? How much apiece were (623) they worth in dollar signs? What was the dollar value approximately? A. 200, 250 dollars.

Q. Apiece? A. Probably wholesale, together.

Q. The two of them were worth to you \$250? A. Yes.

Q. And you say that these coats were not paid for? Is that right? Is that your testimony? A. I did not charge for it.

Q. And you were not paid for them? A. No.

Q. When were you first interviewed by anybody in the Government in connection with these facts we have been discussing in this case approximately?

Mr. Sabetta: Anybody.

Q. Anybody in the prosecution.

Mr. Sabetta: Including the State Police.

A. 1973.

Q. Is that February, 1973? A. Yes.

Q. And were those men from the Labor Department?

A. That is what he said.

Q. That first interviewed you? (624) A. Right.

Q. Where were you interviewed on the first occasion?

A. In my showroom.

*Walter Stiel—for the Government—Cross*

Q. Two men came in to see you? A. Two men, yes.

Q. What did they say? A. You are in a lot of trouble.

Q. Did they tell you you were in a lot of income tax trouble? A. No, I had nothing to fear on that.

Q. Pardon me? A. No, I had nothing to fear on that.

Q. Nothing to fear? In 1970 you reported income of \$5200 on your tax return? A. In 1970?

Q. Is that right? Yes or no, please? 1970? A. No, we paid it through the corporation, I think.

Q. What income did you report? Income?

The Court: Are you talking about him as an individual?

Mr. Rooney: As an individual, yes, your Honor.

The Witness: Let me see the file, please.

(625)

The Court: He asked to see the file.

Mr. Rooney: Certainly. May this be marked as our next exhibit for identification.

(Defendants' Exhibit K was marked for identification.)

Mr. Rooney: May the record reflect that I am showing Mr. Stiel Defendants' Exhibit K for identification.

The Court: That is what year?

Mr. Rooney: 1970.

A. Yes, we went out of business and we paid it—I don't know.

Q. What did you report for income on your 1970 tax return, Mr. Stiel, please? A. Total income? \$14,000.

Q. Directing your attention to the first full page, or page 3 of the exhibit, will you examine that page, please?

*Walter Stiel—for the Government—Redirect*  
*Daniel B. Grossman—for the Government—Direct*

What income from wages did you report for 1970 on your income tax return? A. From wages?

Q. Yes. A. It says here \$5205.

Q. \$5205? (626) A. Yes, wages. We drew very little.

Q. How about 1969? Do you recall what you reported in that year? A. Show me.

(Defendants' Exhibit L was marked for identification.)

Mr. Rooney: Let the record reflect that I am showing Mr. Stiel Defendants' Exhibit L for identification and asking him to examine it.

A. \$15,000? Is that correct?

Q. At this time you had about how many employees?

A. When?

Q. In 1969. A. In 1968-69, about eight to ten.

\* \* \* \* \*

(629) \* \* \*

Redirect Examination by Mr. Sabetta:

Q. Mr. Stiel, do you know where your ex-partner, Mr. Stern, now lives? A. In Europe.

(649) \* \* \*

DANIEL B. GROSSMAN, called as a witness by the Government, being first duly sworn, testified as follows:

The Court: Proceed.

Mr. Sabetta: Thank you, your Honor.

Direct Examination by Mr. Sabetta:

\* \* \* \* \*

Q. How are you employed? A. I am employed by Richton International as executive assistant to the president of the company.



*Daniel B. Grossman—for the Government—Direct*

(650)

Q. What kind of business is Richton International in?

A. It owns a number of fashion and production companies as well as one retail company.

Q. I am going to ask you if you can to keep your voice up so that everyone in the courtroom can hear you. How long have you held this particular position? A. Since the sale of the company that I was the head of, Dan Grossman, to Richton International, which was on December 9th of this past year, 1973.

Q. What was the business of the company that you sold? A. Wholesale fur business?

\* \* \* \*

(655) \* \* \*

Q. I am talking from 1953 through the succeeding years? Would you tell me what companies you became involved with? What those companies did? A. Starting in '53 or thereabouts we had Harry & Dan Grossman Furs, Inc.

Starting around—I don't know what year, but some place in this period we started having a lot of pressure from the union to form a union shop to produce the merchandise that we were giving out to contractors. There was a great amount of fighting back and forth. We were struck, we were picketed; there was a stench bomb, a stink bomb was throw in the place at one time. We went down to the District Attorney at one time—

(656)

Mr. Rooney: I object.

The Court: Why don't you skip through this and move on to the development.

Q. Describe what happened? Did you become unionized? A. We ended up making a contract with the union

*Daniel B. Grossman—for the Government—Direct*

to form a union shop and a company to employ—I don't remember the exact amount of people—but a fur shop that centered around the operators, those people who operate the sewing machines.

The Court: That would be about what year?

The Witness: That was around 1959. And we entered into an agreement to form this union shop and/or company and to employ about four or six—I don't remember which—operators, which would have entailed a shop of about eight or ten people. Either then or soon thereafter we started to do that.

Getting back to the chronology of companies, the company that was formed was called H & D Grossman Corp. Originally, I believe, to the best of my recollection, we had an independent contract with the union under H & D Grossman Corp. It was the only contract that we had with the union.

(657)

Then we joined the United Association and we remained members for that I don't know how many years, two, three or four or five years. Then we joined the Associated Fur Manufacturers.

The Court: About what year?

The Witness: I would say about 1964, I believe. I think that takes us up to the time I kept the companies but sold the going business to Richton International. Does that answer the question?

Q. Yes. Let me ask you a few others. Now, when you became a union shop, you say you formed another company? Is that correct? A. Yes.

Q. A wholly distinct corporation? A. Right.

*Daniel B. Grossman—for the Government—Direct*

Q. Did it have separate business premises from the one that had already been formed, the Harry & Dan Grossman? A. No, the other company ostensibly was formed as a manufacturing company, as a union manufacturing company, and the main company that we had, Harry & Dan Grossman Furs, Inc., remained a jobbing company. So we had these two corporations on the same premises, the majority of business being done with non-union shops or with contractors, or both, through Harry & Dan Grossman Furs, Inc. (658) A small amount of business being done was produced by H & D Grossman Corp., which was a corporation that had a contract with the union and had a union shop.

Q. When you say the union, which union do you refer to? A. I have a blank.

Q. If I suggest to you the name of the Furriers Joint Council? A. Yes, that is the name of the union, right.

Q. Do you know a Mr. George Stofsky? A. Yes.

\* \* \* \* \*

(660) \* \* \*

Q. What was the nature of H & D Grossman? What was the business? A. I don't understand the word "nature"?

Q. What garments did it make and deal in? A. H & D Grossman were basically mink manufacturers, and we manufactured a small amount of mink coats on the premises and sold them to stores.

Q. About the time you became a union shop or during the operation of that first year do you recall the approximate volume done by that firm? A. I presume that based on a production of approximately four coats a week, the maximum \$2000 a coat, a 50-week production maximum, I would say would be about \$350,000, possibly.

Q. What about the nature or type of garments manufactured by Harry & Dan Grossman? A. Harry & Dan

*Daniel B. Grossman—for the Government—Direct*

Grossman not only manufactured, (661) but they jobbed also, but at least 50 per cent of our volume was done in contracting, manufacturing garments through Harry & Dan Grossman through contractors.

\* \* \* \* \*

(664) \* \* \*

Q. Mr. Grossman, what governed the relationship between your firm and your union employees, that is, we are talking about H & D Grossman? A. H & D Grossman? It was governed by the contract with the Associated Furriers, with the Furriers Joint Council.

\* \* \* \* \*

(665) \* \* \*

Q. Now, Mr. Grossman, directing yourself to the period of about 1960 through 1971 and with respect to the two firms you described, H & D Grossman, which was (666) the union shop, and Harry & Dan Grossman, which was the non-union enterprise, tell the Court and the jury what percentage of the total business done so far as you were concerned was done by each of those two concerns for each year? Do I make myself clear? A. Yes.

Mr. Rooney: I will have to object as to form.  
The Court: Read the question.

(Question read.)

The Court: Overruled.

A. The great majority of the business that we did was done through Harry & Dan Grossman Furs, Inc., which was based on contracting, manufacturing of mink with either union or non-union contractors off the premises.

Q. Can you give us your best estimate or recollection as to the particular percentage done by the non-union shop? A. Depending on how much jobbing we did, it was



*Daniel B. Grossman—for the Government—Direct*

over 50 per cent every year, maybe 60 or 70 per cent of the business.

\* \* \* \*

(667) \* \* \*

Q. For the period of '60 through '64 with respect to the issue of contracting, did your firm have any friction with the union on that score? A. Yes, that is what I started to describe before, we had a lot of pressure from the union. We were in violation of the contract. We were constantly pressed to produce more merchandise in the union shop that was on the premises, and—I don't know, it's a long time ago—but there were a couple of strikes, people stopped from coming in the place.

We appeared before the arbitrator on many occasions. In fact, a few times I appeared before the arbitrator and brought along a court stenographer with me, at which time the arbitration was canceled until we get a ruling from the union on it. We were fined 4000 some-odd dollars—I don't (668) remember the exact amount. That takes me through around 1965.

Q. Now, from '64 or '5 through 1970 did your relationship with the union with respect to the issue of contracting change in any way? A. Yes. In or around 1964 after we were fined—

Q. Mr. Grossman, I am sorry to interrupt you, but I want to be sure you answer only the question I ask you. A. Will you repeat the question, then?

Q. For the period from about '64 and '65 through '70 did your relationship with the union change with respect to the union contract? Did the treatment by the union with regard to your firm change in any way? A. Yes.

\* \* \* \*

Q. From about 1965 through the end of 1969 is the period I am interested in. (669) A. From '65 through the end of 1969 we had very little problems with the union.

*Daniel B. Grossman—for the Government—Direct*

I think there were one or two minor complaints that were lodged, but one was dropped, to the best of my recollection, and I believe we paid a \$150 fine on one through the end of 1969, to the best of my recollection. But I don't believe that we had any serious harassment of any kind.

Q. Now, at the end of 1969 or the year of 1969 what was the approximate volume of business done by the non-union firm which you operated? A. I would be willing to guess that the approximate volume of business by the non-union firms was around \$2 million.

Q. What about the union shop? A. In the union shop we also bought readymade garments from union manufacturers, so that was also combined in the H & D Grossman. So that is why I am as vague as I am about the figure of around 2 million. What was produced in the union factory consisted of no more than \$350,000.

Q. And the total volume, taking both firms together would have been about? A. About 2,700,000.

Q. And so 2 million of that is attributable to (670) the non-union shop? A. Around that figure, to the best of my recollection.

Q. How many employees did you have in the union shop at that time? A. In 1969 I don't believe we had more than about ten, eight or ten employees, maybe twelve. I don't know.

The Court: That is in which shop?

Mr. Sabetta: In the union shop, your Honor.

Q. Directing your attention to the early part of 1970 now, did you have occasion to meet and talk to Mr. George Stofsky? A. Yes, I called George Stofsky in the early part of 1970 and I told him I wanted to meet him for lunch, and he said all right, and either in that conversation or else in a callback—I don't remember which—we made ar-

*Daniel B. Grossman—for the Government—Direct*

rangements to meet at Charles' Restaurant on Sixth Avenue around 11th Street. At that time I told George Stofsky that I had been paying a man named Harry Koch—

Mr. Abramowitz: Your Honor, I am going to object.

The Court: Overruled.

A. (Continuing) At that time I told George Stofsky (671) I had been paying a man named Harry Koch about \$12,000 a year for a number of years and I had been getting along pretty well and it would shake my business up badly if I started having problems with my production right now. I told him that—I don't know how exactly in general the conversation went.

Mr. Rooney: I object about in general. I would like to know what he said.

The Court : Sustained.

Q. Tell us in substance what you said and what you said and what Mr. Stofsky said, as best you can recall?

A. I was trying to be careful.

Mr. Rooney: I object.

Q. Let's take it this way—you arranged to meet at Charles' Restaurant? A. Yes.

Q. And you had that meeting shortly after you set it up by phone? A. Yes.

Q. And when you arrived, presumably you sat down. Did you order anything to eat? A. I think I arrived first. I don't remember. I don't remember. We had lunch. We ordered lunch after we were there.

*Daniel B. Grossman—for the Government—Direct*

(685) \* \* \*

Q. Mr. Grossman, do you know a man named Harry Koch? A. Yes, I knew a man named Harry Koch.

Q. Is he still alive? A. No, sir.

Q. Approximately when did he die? A. In the beginning of 1970.

Q. After he died, did you have occasion to speak to George Stofsky? A. Yes, I did. Shortly thereafter I called George Stofsky and asked him if he would meet me for lunch. We arranged to meet for lunches at Charles' Restaurant on Sixth Avenue, around 11th Street. At this lunch I told Mr. Stofsky that I had been paying Harry Koch a thousand dollars a month, \$12,000 a year, over a period of years, and that I had not had any union problems and that I was perfectly willing to continue to pay \$12,000 a year and that I not only was willing to pay it, but I was anxious to pay it to prevent any disruption of my business with union problems.

George Stofsky at that time started to talk about Harry Koch. He said that—

(686)

Mr. Rooney: I object, unless it's the conversation, your Honor.

The Court: Just a minute. Overruled.

A. He said that he had gone to Harry Koch's funeral and at the time that he was at Harry Koch's funeral he was wondering who was in the casket, since in the eulogy Harry Koch was eulogized supposed as a decent guy and he said that he was the last of a certain type of breed of a dying gangster. He spoke about Koch, about the—

Mr. Rooney: I object, your Honor, to any abouts. I would like the conversation, please.

The Court: Sustained.



*Daniel B. Grossman—for the Government—Direct*

Q. Try to tell us in substance what Mr. Stofsky said.

A. To the best of my memory now, that was about what Mr. Stofsky said. Mr. Stofsky assured me not to worry and he told me that he would be in touch with me.

Q. During this conversation, was the name David Koster ever mentioned? A. Yes. At either this meeting or at a later meeting Mr. Stofsky asked me what I thought of David Koster. At the time I told him that I thought that David Koster was a decent guy, but he was sort of like a (687) kid and he was irresponsible. Mr. Stofsky laughed and I nodded affirmation. At that time he asked me if I would try to give David Koster more work, meaning contracting. I told him that I had had problems in the past with—

The Court: I am going to sustain an objection to this portion. Move to the next.

Q. When was the next time you heard from any official of the union? Approximately. A Either a few weeks or a month or six weeks later—I don't remember the exact timing of it—Al Gold came up to my place, either by calling me first or else by just stopping up to my place. The gist of his conversation went "Look, we know what you have been doing all this time. We know who give out work to. You don't think you have been getting by with us on the arm. You know, this money went in various directions."

I said, "All right, what is the figure, if I can assume that you are speaking with authority besides for yourself alone?"

He said, "The figure is 15,000."

I said, "No, I'm sorry, that isn't the figure."

(688)

Then he laughed and he said, "The figure is 12,000."

I said, "Okay, that's the figure."

*Daniel B. Grossman—for the Government—Direct*

I said, "There is still something that I can't enter into without having some kind of assurance that you are not just speaking for yourself.

"Well," he said, "there is no way of doing that."

I said, "How about a phone call in round-about terms that would give me some kind of assurance?" So, I believe at that time he said, "I will let you know."

Mr. Rooney: I object.

The Court: Sustained.

Q. What's your best recollection, Mr. Grossman? A. My best recollection was that after that I either called George Stofsky or George Stofsky called me and he said, "You can go along with whatever—in substance, he said, "You can go along with whatever Al Gold tells you and you were perfectly right in asking for me to confirm."

Q. Now, at this first meeting with Gold, did you have occasion to discuss the mode of payment if the arrangement was confirmed? A. Yes. At either this meeting or at a later meeting—I'm almost sure it was at this meeting—

(689)

The Court: This would be about when?

The Witness: This would be in the beginning of 1970, around the month of—in or around the month of March. A. I said that \$12,000 was a lot of money to—a lot of cash to raise at one time and I asked him I could spread it out over about three or four payments. At that time he said no. He said it would be too dangerous to handle it that way. He said there are fellows who give it to us once a year and they get it over with. I said, "Well, the best I could possibly do would be to give it to you twice a year."

*Daniel B. Grossman—for the Government—Direct*

We then discussed how we could go about the payments without arousing any suspicion. We were trying to determine a meeting place and I suggested to Gold that the most logical place would be for him to come up to my office and get the money. He said that since he wasn't my business agent it would be difficult, so together we arrived at a method of him pretending to come up following a contractor into the place or on the suspicion of somebody coming into the place with a box and he ran into the place, looked around and asked whether anybody had come into the showroom or office and I said no, but you are welcome to look around. (690) I then met him in the small showroom and gave him \$6000 in an envelope, which I believe was in \$100 bills.

Q. Approximately in what month of 1970 was this payment to Mr. Gold made? A. In or around April of 1970.

Q. Did you ever inquire whether payments could be made through someone other than a union official? A. Yes. I asked Mr. Gold at that same meeting whether it would be possible for me to pay somebody else instead of paying the union official and he said, "If you want to pay double," which ended the conversation.

Q. When you say to your place—you have been referring to your place, do you mean your business residence or your home residence or what? A. Business.

Q. That was located where? A. At 333 Seventh Avenue.

Q. That's here in Manhattan? A. Yes.

Q. Were there any other payments in 1970 apart from this one in April of 1970? A. Yes. Later in the year, in or around September, either by a call from Gold to myself or from (691) myself to Gold. I believe it was from

*Daniel B. Grossman—for the Government—Direct*

him to me. I don't remember having his phone number at that time. We arranged for Mr. Gold to meet me at Yagger's Restaurant on 85th Street and Lexington Avenue. I met him at the bar of Yagger's Restaurant at 85th Street and Lexington Avenue and we talked for a few minutes and he asked whether I had been having any trouble.

He told me to get in touch with him if I was, to try to be careful, and at that time I gave him \$6000 in cash and I believe again it was in \$100 bills.

Mr. Rooney: I didn't catch the last part of the answer.

The Witness: I said I believe again it was in \$100 bills.

Q. Was it packaged in any way when you handed him this money in September 1972? A. I don't remember exactly, but I'm sure it was in an envelope—to the best of my recollection it was in a bank envelope of some kind or a money envelope of some kind.

Mr. Rooney: Pardon me?

The Witness: Or a money envelope of some kind.

Q. Mr. Grossman, were your firms' or were any of your firms' giving out work, that is contracting during (692) 1970? A. Yes.

Q. Approximately how many contractors did your firm make use of that year? A. I'd say that we probably made use of about 15 contractors, and of the 15 there were six or seven who produced the great majority of the work.

Q. Now, what are the names of some of those contractors you used in 1970? A. William Poulis, James Poulis, Sotirios Prios, Demetrios Lebovitis, Papl Manuel, Koster—these are some of them.



*Daniel B. Grossman—for the Government—Direct*

Q. How much of your total volume for 1970 was attributable to manufacturing done by these contractors outside of your shop? A. Over 60 per cent.

Q. How much was actually manufactured approximately by your union shop operation? A. I'd say around 400,000, which would be about—a little less than 20 per cent.

Q. What is the other 20 per cent of your volume attributable to? A. It would be job merchandise from union shops.

Q. How much volume did you in fact do that year? (693) A. Around 2,600,000.

Q. Mr. Grossman, I show you Government's Exhibit 37 and 38 for identification and I ask you if you can identify them, beginning with 37. A. Yes. 37 is the purchase journal for 1971.

The Court: Of?

Q. Of what firm; what company? A. The purchase journal for Dan Grossman Fur, Division of Richton International.

Q. When you say purchase journal, what does that mean? A. A purchase journal—this would indicate anything that we have purchased from anybody, anything that we have brought from anybody. This would list anything that we have bought from anybody. It lists garments, skins, silking, cleaning, ironing, finishing and so forth.

Q. What is 38 for identification? A. 38 is the cash-book and purchase journal for the year 1970.

Q. Of what firm? A. Dan Grossman Corporation. (694)

Q. Now, would either of these books, or both of them, reflect in any way the payment of moneys to contractors for 1970 and 1971, the years 1970 and 1971? A. Yes, the purchase journal would reflect payment of money to contractors. Contractors billed us for garments, rather than

*Daniel B. Grossman—for the Government—Direct*

for labor. We then attached the labor slips. The actual work done for the garments would be reflected in there under purchases as garments from contractors.

Q. Now, do, in fact, these books reflect payments to any of the people mentioned earlier as contractors for you during the 1970 year? A. Yes.

\* \* \* \* \*

(695) \* \* \*

Q. Did you, in fact, use contractors throughout 1970 and 1971? A. Yes.

(697)

Q. Directing your attention to 1971 did you have occasion to talk to Mr. George Stofsky that year? A. Yes. In the beginning of 1971 I made the deal with Richton to sell my business as a going business to them. There were a lot of rumors around the fur market—

\* \* \* \* \*

Q. Did you have a conversation with Mr. George Stofsky that year? A. Yes.

Q. How did it come about? A. I called George Stofsky—

Mr. Rooney: May we have the date on this?  
The Court: Fix the date.

Q. Tell us approximately what month in 1971 this took place. A. Yes, this took place in or about February or March of 1971.

Q. How did this conversation come about? A. I called George Stofsky, asked him to meet me (698) for lunch. We met at Charles Restaurant again on Sixth Avenue and 11th Street, and I told him that I had made a deal with Richton, but that I was going to continue to run the company exactly as I had in the past and that there was no change, that I was solely responsible for the company,

*Daniel B. Grossman—for the Government—Direct*

and I wanted him to understand that, and I brought along a copy of my contract with Richton, at which point I showed him the contract which put me in complete charge of the day to day operations of the company as president of the company, to hire and fire and run the business as I saw fit. He remarked that I had made a good deal for myself.

And I tried to assure George Stofsky that it was all right to continue to give him the—I don't know whether I mentioned money or not—but to continue exactly as we had in the past. He told me that he would have to think about it.

Q. Did you hear from Mr. Stofsky again after this meeting? A. After this meeting to the best of my recollection I met with Mr. George Stofsky again. I think he called me, or Mr. Gold called me. I met with him and Mr. Gold together, and at that meeting we continued the discussion of the new setup up Richton's ownership in the company with my running (699) it, and at that time we agreed to—either at that time or at a later date—

Mr. Rooney: Excuse me. May we have the date on that?

The Court: Yes.

Q. How long was the second meeting after the first meeting you had described? A. To the best of my recollection a few weeks after the first meeting.

Q. Which would have made it some time in February or March of 1971? A. Yes.

Q. What was said by you at the second meeting and what was said by Mr. Stofsky and Mr. Gold, if anything? A. Mr. Gold said something to the effect that he couldn't see anything wrong with going ahead with the deal. Mr. Stofsky was more hesitant about it.

Q. Just tell us what he said. A. At some point I think

*Daniel B. Grossman—for the Government—Direct*

he made some remark about people have to go to jail for not being careful, something to that effect.

Q. That was by Mr. Stofsky? A. That was by Mr. Stofsky.

Q. What was the outcome of the second meeting—(700)  
I will withdraw that.

When you all left the meeting had you arrived at any agreement of any kind as to whether or not to continue?

A. Yes, we had reached an agreement to continue at that meeting to the best of my recollection.

Q. Following this second luncheon did you, in fact, hand any moneys to any union official in 1971? A. Yes.

Q. When for the first time? A. I met Mr. Gold outside of Yager's Restaurant in his car this time rather than meeting him in a restaurant.

The Court: Can you fix a time?

Q. When about was this meeting? A. This was around April, in or around April, the beginning of May, 1971. I met him outside Yager's Restaurant. We talked for a few minutes. He asked me whether I had had any problems. I think he asked me whether I had worked with a certain specific contractor whom the union was having trouble with. I said no, I had not to the best of my recollection. And we started to drive downtown and I left \$6,000 on the seat of the car, and he dropped me off, I believe, some place around 60th Street to the best of my recollection, at which time I took a cab home.

(701)

Q. Was this \$6,000 also in cash? A. Yes.

Q. Were there any subsequent payments to any union official in 1971? A. Yes. On or about September, 1971, I made another payment of \$6,000 to Mr. Gold, and this was, I believe, in a coffee shop on 33rd Street and Madison Avenue. He had called me and asked me to arrange a meeting



*Daniel B. Grossman—for the Government—Direct*

over there. There was a conversation about how I was getting along, conversation about a strike that the union—

Mr. Rooney: I object, your Honor. May we know who said what, rather than a description?

The Court: Sustained.

A. (Continuing) Mr. Gold was telling me about the strike that he had been involved in against some sort of a photo company, and I told him that I had met the owner of the company, who is Bobby Riggs—Bobby Riggs' wife and family, or whatever. And we chatted about that for a minute. I don't know what else.

Q. Did either of you have anything to eat or drink?

A. I had coffee, and I don't know what else. I left first, and I said, "This time you take the check." And we both left.

Q. Now, were any payments made by you to any union (702) official following September of 1971? A. No.

Q. You testified in 1970 and 1971 you paid \$12,000 in cash? Is that correct? A. Yes.

Q. Can you tell the court and jury what the source of that cash was in each of those years? A. 1970 I took fictitious bills from a skin dealer, a Murray Orenstein, and paid him by check. He gave me the cash less 5 per cent for handling the cash, and in 1971 I took in excess of a dollar or two dollars a skin more than the cost of the skins to me, than the actual agreed price, rather, of the skins to me from another skin dealer, Schefflin-Reich, and use that cash to pay Mr. Gold.

\* \* \* \* \*

(703) \* \* \*

Q. Now, the invoice parts of each of these documents represents on its surface a bill for skins purchased by your firm? Is that correct? A. That is correct.

*Daniel B. Grossman—for the Government—Direct*

Q. Were, in fact, those skins ever received by your firm? A. No, sir.

Q. To your knowledge were they ever shipped to your firm? A. No, sir.

\* \* \* \*

(706) \* \* \*

Q. Now, Mr. Grossman, with respect to the bills of skins from Schefflin, Reich, did you ever receive any skins pursuant to those bills? A. Yes, we did.

Q. In each of those cases did you receive the skins? A. In each of those cases we received the quantity of skins designated on those bills.

Q. But you paid some sum above what otherwise would be the price for those skins? A. Mr. Schefflin and I agreed to a price of \$13 a (707) skin. The skins were billed at either \$14 or \$15 a skin. Schefflin would then refund the difference to me personally, or a dollar or two dollars per skin on the total amount of skins, less 5 per cent for what he claimed to be the cost of getting the money.

Q. Now, when he refunded the difference that you just described, was that in cash or check or how? A. That was in cash.

Q. Did you use all of the moneys obtained in that fashion from Schefflin-Reich to pay \$12,000 a year, as you described it? A. No, I didn't.

Q. What other uses did you put those moneys to? A. Primarily to pay buyers who were getting a percentage, in some cases, of what they bought, and in some cases they would get it in the form of a Christmas present, in some cases in the form of retail customers they would bring up that they would get cash for. Also—I don't remember how long ago—whether during this period—I doubt whether during this period—we also paid designers for patterns and things like that.

*Daniel B. Grossman—for the Government—Direct*

Q. With respect to the practice of contracting in 1970 and 1971 did the union proceed against your firm in any way? (708) A. In 1970 and 1971, no.

Q. You were not fined by the union in any way? A. No.

Q. You were not struck by the union during that period of time? A. No.

Q. Now, from the period of about 1965 through 1970 can you tell us what action, if any, was taken by the union as a result of the practice by your firm of contracting out work? A. To the best of my recollection there were a few complaints, and one complaint was resolved to the best of my recollection with a \$150 fine.

(709)

Q. What happened with respect to the other complaints during that period? A. I never heard any more about them.

Q. Now, directing your attention to 1971, did you have any conversations with any of the four defendants other than the ones you have already described in your testimony? A. The last conversation that I described in my testimony was with—I described a conversation with George Stofsky, Al Gold and then Al Gold again. At one point Charlie Hoff came up to my office. I believe he was with George Stofsky in 1971.

Mr. Rooney: May we know the date on this, please?

The Court: I think he is trying to fix the date.

A. This was toward the end of 1970. I'd say—1971, excuse me. I'd say it was around November or December of 1971. Yes, around November or December of 1971 George Stofsky and Charlie Hoff came up to my office. I believe Charlie Hoff called me first and said that they wanted to come up and they came up. At that time George Stof-

*Daniel B. Grossman—for the Government—Direct*

sky told me that there may be a period time that I might have to—George Stofsky asked me at that time if (710) I could unionize—get some of my contractors to unionize and I would be able to work with them and at the same time they would be union shops; that there are various ways of going about it.

During the same conversation George Stofsky told me that he was—there might be a period that I would—oh, I replied that I would—that it seemed okay with me to unionize the shops except that I didn't think the contractors would go along with it. He said something to the effect that it was up to me to convince them to go along with it.

After that he said something about that it might be—that there might be a period of time that I would have to stop working—stop contracting; that they were going to do something new and he would let me know if I had to stop or not, but not to do anything until I heard from them.

At the same time there was a fellow—I believe it was during this conversation. To the best of my recollection, there was a fellow by the name of Ginsel who had worked for us—

Mr. Rooney: I object to this. What's this got to do with anything, your Honor?

Mr. Sabetta: All right, I will move along.

(711)

Q. At this conversation you just described, Mr. Stofsky was present; is that correct? A. Yes.

Q. And Mr. Hoff was present; is that correct? A. Yes.

Q. Again during 1971, did you ever have occasion with any union official to discuss a gentleman by the name of Sam Poulis? A. Yes.

Q. With whom did you discuss that individual? A. With Al Gold. Al Gold contacted me and told me he wanted to see me.



*Daniel B. Grossman—for the Government—Direct*

Q. Wait a second, Mr. Grossman. Let me ask you before Mr. Rooney does this question:

Approximately when during the year was this, if you can recall? Approximately what month was it? If you can't give us a month, try to frame it in terms of the first or second half of the year. A. I'd say to the best of my recollection it was in the beginning of 1971.

Q. Now tell us what happened. What was said by Mr. Gold and what was said by you? A. I believe that I met Al Gold at the same coffee shop on 33rd Street and Madison Avenue. He told me that (712) a couple of the men in the union—and I believe that he said that he wasn't around that day, but a couple of men from the union pushed their way into Sam Poulis'—I think his legal name is Themis Poulis—into Sam Poulis' shop and Poulis had his books lying on the table and that my name appeared all over his books as the major account that he was doing business with. Gold was angry about Poulis leaving his books around and Poulis said—Gold told me that Poulis had admitted to the union that he was working with——

Mr. Rooney: I object.

Mr. Sabetta: It is a statement by Gold, your Honor.

Mr. Rooney: It was by Poulis.

Mr. Sabetta: It is by Mr. Gold relating this to——

The Court: Overruled.

A. Gold told me that Poulis had admitted to the people from the union who came up there that he was working for me at the time. He asked me how badly I needed Poulis. If I didn't need him that badly, to get rid of him, or at the very least to tell him he couldn't do that and to keep his mouth shut from then on.

*Daniel B. Grossman—for the Government—Direct*

Q. Now you told us earlier that you were advised (713) by Mr. Stofsky that you were going to have to cease using your contractors and that this took place some time in late '71; is that correct? A. Yes.

Q. Did he tell you whether that would be permanent or not permanent? A. He said it would be for a short period of time, if it happened at all. Q. Now, were you ever advised by any union official of any complaints lodged against you by any other manufacturers? A. Yes.

Q. Tell us when, if you can recall the conversation, and who said it to you, as best you can. A. I believe at this same conversation in 19—the end of 1971, George Stofsky advised me that as I knew there were always a number of complaints by other manufacturers about my company.

\* \* \* \* \*

(715) \* \* \*

Q. You said you had a conversation with Stofsky late in '71; is that right? A. Yes.

Q. You said at that time he said certain manufacturers had made complaints about your firm; is that correct? A. Yes.

Q. What specifically did Mr. Stofsky say about those complaints, if anything, if you remember? A. Well, I can't remember Mr. Stofsky's specific words about it, but the gist of the complaints were that we were contracting and running a small shop, having very workers and producing a large amount of merchandise that was—in producing a large amount of furs.

\* \* \* \* \*

(717) \* \* \*

Q. Mr. Grossman, I place before you 43 for identification and I ask you if you can identify that. A. 43 is a seal marked DHG that my company would have used to seal the mink skins with.

*Daniel B. Grossman—for the Government—Direct*

(718)

Q. Now, when the skins were sent to your contractors, did they continue to bear the seals that you described them as? A. Yes. Until they trim the skin off, but the bundle of skins would continue to bear the seals.

Q. How would the seal be affixed to the skin? A. It would be bent in half and sealed onto the head of the skin.

Mr. Sabetta: We offer 43 in evidence, your Honor.

Mr. Rooney: I have a question on voir dire, your Honor.

The Court: All right.

Voir dire examination by Mr. Rooney:

Q. Mr. Grossman, this seal, was it used with respect to all of your companies or just a certain company? A. It was used in respect to the fur manufacturing company that we had.

Q. What was the name of that company? A. Well, the union shop was—

Q. Excuse me, Mr. Grossman. What was the name of your company which was the fur manufacturing company?

A. Actually both companies manufactured furs. (719) One contracted them and the other did it on the premises.

Q. What was the name of the company that this Government's Exhibit— A. This was used for Dan Grossman, the Fur Division of Richton International or Dan Grossman International or Oscar DiLorenzo Furs.

Q. So it was used for three companies? A. It was used for three companies, right.

Mr. Rooney: We have no objection.

The Court: Received. (Government's Exhibit 43 was received in evidence.)

*Daniel B. Grossman—for the Government—Direct*

Direct examination (continued) by Mr. Sabetta:

Q. Mr. Grossman, do you know where Mr. Themis Poulis or Sam Poulis as he is called now lives? A. I believe he is in Greece now.

Q. Did you have any contact with any of the four defendants in the year 1972?

Mr. Rooney: Objection, your Honor. '72?

The Court: Overruled.

A. In the beginning of 1972 George Stofsky, and I believe Charlie Hoff was with him, came up to my office again and told me that they were under a lot of pressure (720) because of the Government investigation and that it was absolutely necessary for me to take on of my—for me to increase the size of my factory. I said it would be very difficult for me to do that at the time, but I listened to them for the most part. He said, "You can take one of your contractors and let him come in and bring in his shop and we will give them union books." I said, "Okay, let me try."

I said, "But before I do, I will have to discuss this with the head of the company," because increasing the factory to the degree that they wanted to increase it—they said they wanted me to add about 20 more workers. Increasing it to that size would be a decision that would have to be made by the head of the company, who was Frank Ricciardi. So, we made an appointment to meet up at Mr. Ricciardi's office, and Mr. Hoff and Mr. Stofsky explained to Mr. Ricciardi that it was to—that it was important that we expand the factory, that—

Mr. Rooney: Pardon me, for objecting, but may we know which party was saying what?

The Court: All right.



*Daniel B. Grossman—for the Government—Direct*

A. I believe that Mr. Stofsky did most of the talking. He said that it was important to expand the (721) factory; that at certain times something might be costly to you, but in the long run you would be—the gist of it was that in the long run everybody would be better off and that this was part of growth, but it was absolutely necessary at this time.

Q. Did there come a time when Mr. Ricciardi left the room? A. Yes. Mr. Ricciardi left the room and Mr. Stofsky said to me, "I didn't want to tell him we get a million complaints about you." I said, "Why didn't you tell him?" He said, "Well, I didn't want to hurt you in any way."

Q. Did there come a time in 1972 when you spoke to Mr. Gold at all? A. Yes. Mr. Gold called me in the early part of 1972 and he said he wanted to come up to see me. He came up and we sat in a small showroom and he—he asked me whether I had been subpoenaed to appear before the grand jury investigating this case. I told him no, I hadn't. He told me that George Greenberg, who was the retired head of the Associated Fur Manufacturers, had voluntarily appeared before the grand jury and had given my name and one of three or four (722) major manufacturers who had special arrangements with the union. He said that if I heard anything, to let him know about it.

Q. Did you ever testify before the grand jury in this case? A. Yes, I did.

Q. When was that? A. I testified—I believe it was in July of 1971.

Q. '70— A. July of '72, rather. Excuse me.

Q. Was that the only occasion you testified before the grand jury? A. No. I testified again in October of 1972.

Q. Prior to your testimony before the grand jury, did

*Daniel B. Grossman—for the Government—Direct*

you receive a grant of immunity from the United States District Judge? A. Yes, I did.

Q. During this period of 1972 up let's say until your first appearance before the grand jury in July, were any of the firms with which you were connected still contracting out work? A. Would you repeat the question?

(723)

Q. Up until the period of about July of 1972 when you entered the grand jury, were any of the firms with which you were connected still contracting or giving out work? A. Yes.

Q. Did there come a time when you in fact took into your shop one of the contractors who previously you used on a contracting basis? A. Yes.

Q. Which one was that? A. I took in William Poulis, who was the chief contractor—he produced the best work we had. We took him in around May, I believe, of 1972.

Q. When you took him in, did you take in any of his workers as well? A. Yes. He kept his entire shop together and moved them in as a unit. He kept almost—to the best of my knowledge and recollection, he kept most of his workers or all of his workers together and they came in together as an entire shop.

Q. Prior to the time he came into your shop as a direct employee of your firms', how many employees did you have? A. In the shop actually attached to the union I'd (724) say there were about eight employees total, to the best of my recollection.

Q. After he joined your shop, how many employees did you then have? A. Over 20.

\* \* \* \* \*

(728)

Q. Do you know when the original indictment in this was was filed?

*Daniel B. Grossman—for the Government—Direct*

The Court: Excuse me. There is an outstanding matter. 27A for identification was offered in evidence. It is received. (Government's Exhibit 27A received in evidence.)

A. I believe it was in March of 1972.

Q. '72? A. March of 1973. Excuse me.

Q. Following that period of time did you have any difficulties with the union at all with respect to the practice of contracting?

\* \* \* \* \*

(731) \* \* \*

A. Yes. Two members of the union—I believe it was David Maginsky, I believe, and Sheffrin, I believe, was the other man, followed a finishing contractor, a man who was delivering a package containing some of our coats to our premises around the end of April or beginning of May of 1973, and they filed a complaint with the association which later went to arbitration. Then we negotiated a fine of \$10,000 based on the complaint that was filed that we were in violation.

The Court: You say they followed this messenger, and it was in April or May of '73? What happened then?

The Witness: The union filed a complaint with the association for contracting. We appeared before the arbitrator. The arbitrator suspended us from the contract subject to our negotiating a fine with the union, and we negotiated (732) a fine of \$10,000 with the union, which we paid some time around July, I believe, of 1973.

Q. Who was your business from about 1968 through '73? A. To the best of my recollection it was Charlie Hoff.

Q. I show you Government's Exhibit 36 for identification and ask you if you can identify that. A. This is an

*Daniel B. Grossman—for the Government—Cross*

official contract and complaint dated May 1, 1973, and it says: Firm name, Dan Grossman; firm giving out finishing contracting—

Q. Don't read it. Did you see this in the month of May, 1973? A. Yes.

Q. This is the contract and complaint that you just testified about? A. I believe so.

Mr. Sabetta: We offer this in evidence, your Honor.

Mr. Rooney: We have no objection.

(Government's Exhibit 36 received in evidence.)

Q. Mr. Grossman, in connection with this charge of contracting in May of '73 was any examination of any books of your firm made by union officials? A. Yes, an examination of my books was made by the union officials, in which they came up with, I think, around \$40,000 in contracting, laboring.

(733)

Q. Do you remember which books it was that they looked at? A. They had access to a number of books. I believe the purchase journal, the cash journal, a number of other books.

\* \* \* \* \*

Cross-examination by Mr. Rooney:

\* \* \* \* \*

Q. So from July of '72 up until yesterday how many times have you been spoken to by anybody from the prosecution (734) in connection with this case? Approximately? A. I would say I spoke to Mr. Sabetta at least four or five times, and I spoke to Mr. Hinckley at least three or four times, and Mr. Duke was present on a number of those occasions. That is about what I would remember.



*Daniel B. Grossman—for the Government—Cross*

Q. Approximately eight or nine times before testifying?

A. To the best of my recollection.

\* \* \* \*

(735) \* \* \*

Q. So you have gone over these facts on a number of occasions since July of 1972? Is that correct? A. Yes, I have.

Q. You testified, I believe, to four payments to Mr. Gold? Is that correct? A. I testified to four payments to Mr. Gold, yes.

Q. Two of those payments were in 1970? Is that correct? A. Two of those payments were in 1970.

Q. And two were in 1971? A. Yes. I testified I gave him \$12,000 in '71.

Q. And the last payment in '71 to Mr. Gold, according to you, was in September of 1971? Is that correct? A. According to the best of my recollection I gave him two payments in 1971, one in the early part of the year and one in the latter part of the year, meaning in or around. (736)

Q. The last payment was about September of '71? Is that right? A. I believe so. I will answer it. This has been like a nightmare for a year and a half. There is an awful lot about this that is hard for me to remember; there is a lot that is just difficult. So I know the figures, I know the approximations; I don't know the precise time and place; I am not sure of that.

\* \* \* \*

(739)

Q. You testified to a number of cash transactions in '70 and '71, is that correct, Mr. Grossman? A. Yes.

Q. You identified and testified about a number of exhibits ranging from 28 to 35 or 36, which I am showing you? Is that correct? A. That is correct.

*Daniel B. Grossman—for the Government—Cross*

Q. How would you describe these exhibits? Would you call them invoices and checks? A. That is correct.

Q. They came from a certain company, did they not, of yours? I am referring to these exhibits 28 through 35. A. You are referring to the invoices or to the checks? Q. The checks. A. The checks came from a company of mine.

Q. What was the name of the company? A. The checks made out to Schefflin-Reich were made out—

Q. What was the name of the company on the check? A. I was trying to answer you. The checks made out to Schefflin-Reich were from Dan Grossman, Fur Division of Richton International Corporation, and the checks to Murray Orenstein were made out from Dan Grossman Corporation.

Q. Now, the checks made from Dan Grossman Corporation are numbered 35, 34, 33 and 32? Is that correct? (740)

A. That is correct.

Q. And they are all dated in 1970? Is that correct? A. That is correct.

Q. You kept these checks, did you, in a certain area in your files? A. That is correct.

Q. I take it, Mr. Grossman, there are dozens of checks like this? Is that correct? A. I don't understand what you mean by "like this."

Q. This check is a check made in payment for certain skins according to the invoice connected to it? A. You mean dozens of checks from my company paid to skin dealers in payment for skins, yes. Q. How many dozens for '70, approximately? A. I have no idea.

Q. Would it be a hundred, approximately, for 1970? A. I would say there could be a hundred checks in 1970 to skin dealers.

Q. Actually, there could be more than a hundred? A. Yes.

Q. For 1970? A. Yes.

*Daniel B. Grossman—for the Government—Cross*

Q. Now, for 1970 could it be 200 checks payable to skin dealers? (741) A. Off the top of my head I doubt it.

Q. Can you approximate the number over a hundred for us, for '70 checks to skin dealers? A. I can't even approximately more than a hundred. We did a lot of buying from auction companies.

Q. These were checks to skin dealers for skins that you never got in 1970? A. Yes.

Mr. Sabetta: When counsel says "these," is he referring to the exhibits in evidence?

Mr. Rooney: Yes, thank you, I am referring to 32, 33, 34 and 35.

Q. Is that correct? A. Yes.

Q. Now, when you wrote the check you would get back money? Is that right? Cash? A. That is correct.

Q. And in 1970 you were getting this cash back from Murray Orenstein? Is that right? A. Yes.

Q. As you testified, there were dozens of these checks? Is that correct? A. There were dozens of checks to skin dealers from my company.

(742)

Q. For 1970? A. Yes.

Q. Approximately how much cash did you realize in 1970 through this manner? A. I would say, guessing again, I would say between 70 and 80 thousand dollars.

Q. Now, this was cash that was given to you by various skin dealers? Is that right? A. That is correct.

Q. One of the skin dealers was Murray Orenstein? Is that correct? A. Yes. In answer to your previous question—

Q. Mr. Grossman, let me firm a question so you can complete various thoughts. If Mr. Sabetta wants to ask you questions, he can do so. A. I don't know whether I answered—

*Daniel B. Grossman—for the Government—Cross*

The Court: Just one moment. It sounds as though he feels an answer is incomplete. You may answer the question.

The Witness: When you said "various skin dealers in 1970," I don't recollect at this moment any other skin dealers in 1970 that I took this cash from besides Murray Orenstein.

Q. Murray Orenstein is the only one? A. To my recollection at this moment.

(743)

Q. To your best recollection in 1970 you got all this cash from Murray Orenstein? A. To the best of my recollection.

Q. And he would charge you 5 per cent? A. That is correct.

Q. You knew, by the way, that you had to report this cash on your income tax return, did you not? A. No, I investigated whether I had to report it as income tax because I was getting the cash in for business purposes and didn't know that I had to report it on income tax; I never I was paying the cash out. I thought that it was illegal as far as income tax purposes. I didn't know about the reporting of it. I knew that it was illegal as far as income tax purposes.

Q. How much of this cash did you keep for yourself in 1970? A. I didn't keep any cash for myself.

Q. Not a nickel? A. No.

Q. Pardon me? A. No.

Q. You used it to pay various buyers of your furs. A. That is correct.

Q. How many buyers approximately in 1970? (744)

A. Guessing again, I would say some place between 50 and 75.

Q. Buyers? A. Well, there would be buyers, resident



*Daniel B. Grossman—for the Government—Cross*

buyers, people who brought retail customers up who wanted cash in the industry.

Q. And how much on the average would you pay a buyer in 1970? A. The rule of thumb in the fur industry firms like myself ranges between two and a half and three per cent of your gross volume.

Q. And I take you paid buyers from various New York stores? Is that correct? A. Yes.

\* \* \* \*

(745) \* \* \*

Q. Was he located in the Saks Fifth Avenue store or was he located at another premises? A. He was located in the Saks Fifth Avenue store.

Q. How much did you pay Mr. Wheeler, approximately, in 1970? A. Guessing—

Q. Give us your best estimate, please, Mr. Grossman. A. The best estimate would be between three and four thousand dollars.

Q. That was in cash? A. Yes.

Q. You paid him at the end of the year in 1970? A. I believe it was two payments, one toward the end of the year and the second one at the end of the year.

\* \* \* \*

(746) \* \* \*

Q. How much did you pay Mr. Morse? A. I believe, to the best of my recollection, I paid him \$500.

Q. I didn't hear you. A. To the best of my recollection I paid him \$500.

Q. How about Miss Burke? A. That was either \$50 or \$100.

\* \* \* \*

(747) \* \* \*

Q. How much did you pay Mr. Helstein in 1970, approximately? A. At one time it was 3 per cent of volume. At a later time it was 5 per cent of volume. I would guess that I paid him around—if 1970 was the year that he was

*Daniel B. Grossman—for the Government—Cross*

there that I was doing business with them, which I am sure it was, it was around—probably around \$4 or \$5000.

\* \* \* \* \*

(748)

Q. What other stores did you make payments to in 1970 in New York City? A. You mean what other store buyers?

Q. Yes. A. In 1970 I believe that I paid Jimmy Feldman up at Bergdorf Goodman around \$4 or 500. It was either '70 or '71, I'm not sure of which. In 1970 I believe Laremer of Lord & Taylor. I believe he probably made about \$6 or 800, to the best of my recollection.

B. Altman—I believe that I paid the buyer there—there were two buyers there at the time and between the two of them I would say it was about \$5 or 6000.

Q. Any other stores in New York City? A. Not that I can remember right now.

Q. How about stores outside of New York City; did you pay their buyers also? A. A number of them.

Q. Pardon me? A. A number of them.

Q. About how many? A. I testified before that I guessed at a figure of 50 to 75 would be buyers from outside of New York City.

(749)

Q. Approximately. A. I'd say that if 10 or 15 were resident buyers, we just had five or six who were New York buyers, I would say the balance of about 50 would be outside the New York area.

Q. Were any of those payments in excess of \$5000?

Mr. Sabetta: You are talking about a single time, your Honor, or over the course of a year?

Mr. Rooney: During the course of 1970.

*Daniel B. Grossman—for the Government—Cross*

A. I really couldn't recollect whether any of them were in excess of 5000. I would doubt it off the top of my head.

Q. Would it be in excess of \$3500 as a lump sum in 1970? A. In one single payment?

Q. No. A lump sum. If there were a number of payments, that would constitute a lump sum. I am looking for the final figure. A. Yes. I believe there were people outside of New York City who could have gotten more than \$3500.

Q. About how many? Approximately. A. It's very hard for me to guess. I have been away from this—from that aspect of it for a few years now.

(750)

Q. Can you give us your best estimate; would it be 35, 25? A. It would be unfair for me to say it.

Q. Well, name one. A. Name one buyer from outside—

Q. Who got in excess of \$3500 in 1970. A. I'd say it's quite possible a fellow by the name of Gloere from Atlanta.

Q. Pardon me, Mr. Grossman? A. I said it's quite possible for Gloere from Rich's in Atlanta got \$3500 or more.

Q. He was from Atlanta? A. Yes. I said I'm not sure of that, but it's possible that he did.

Q. Do you recall what store he worked for in Atlanta? A. Rich's in Atlanta.

Q. Richie's? A. Rich's.

Q. How about a second person in 1970, can you tell us about another person? A. The amount is the part that I'm not sure about. Off the top of my head right now I can't think of anyone else.

(751)

Q. You can't tell us a second one for 1970? A. For the specific amount of \$3500 I can't.

Q. If we reduce the amount to \$2500, would that help you? A. I would have to be able to look at a list of my

*Daniel B. Grossman—for the Government—Cross*

accounts—previous accounts and be able to tell it that way.

Q. How about a store by the name of Sakowitz in Houston; have you ever heard of that store? A. Yes.

Q. Did that store have a fur buyer? A. Yes.

Q. What was his or her name? A. The present fur buyer's name is Woods.

Q. Who was the fur buyer in 1970? A. It was also Mr. Woods.

Q. Did you pay Mr. Woods in 1970? A. No.

Q. Did you pay anybody from Sakowitz in 1970? A. Yes. Do you want the name of the party?

Q. Yes. Who, please. A. From time to time I would give a man named James Shakin, who was a merchandise man and vice-president of the (752) store a certain amount of money.

Q. How much, in 1970? A. From time to time I would give him a few hundred dollars.

Q. Can you approximate for us the total in 1970 that you gave to Mr. Shakin? A. It could have been \$1000, \$1200.

Q. That would have been in cash, would it? A. Yes.

Q. Would you pay these out of town buyers in New York or at their place of work out of town in 1970? A. The out of town buyers would generally be paid in New York.

Q. Was that at your office? A. That was usually at my office.

Q. It is usually 90 per cent of the time or is it less than 90 per cent of the time when you say usually? A. I'd say usually in this case would be 90 per cent of the time, with the exception of at Christmastime where sometimes some men who worked for me actually delivered envelopes up to the stores and in that case it wasn't at the office.

Q. How about Stix, Fuller & Baer in St. Louis; did you pay the buyer from that store in 1970? A. To the best of my recollection, no. I may be wrong.



*Daniel B. Grossman—for the Government—Cross*

Q. How about Gus Mayer in Louisville; did you pay anybody from that store in 1970? A. Gus Mayer in Louisville. That's a specific store. No, to the best of my recollection.

Q. How about I. Magnin in California; did you pay anybody from that store in 1970? A. To the best of my recollection, no. Oh, excuse me—no, there was no cash payment.

Q. There was a check payment? A. No. No check payment either.

Q. Any kind of payment? A. No. I think there was a gift basket or something like that.

Q. Mr. Grossman, would you kindly try to keep your voice up. A. I said I thought there was a gift basket. I can't remember any money payment of any kind.

Q. How about a store by the name of Montoldo; are you familiar with that chain? A. Yes, I am.

Q. Did you pay any buyer from that store in 1970? A. Yes.

(754)

Q. Who? A. Lucille Beckwith.

Q. How much did you pay Lucille Beckwith, approximately, in 1970? A. To the best of my recollection, around \$3000.

Q. Do you recall the approximate time of year? A. At the end of the year.

Q. How many times in 1970, approximately, did you obtain money from Mr. Orenstein? Cash money. A. Guessing again, I would say 15, 20 times.

Q. Now, would these moneys be given to you on any particular day of the week? A. Not for any specific reason that I can think of.

Q. But the moneys would be given to you by Mr. Orenstein in cash; is that right? A. That's correct.

Q. Were they usually in large denominations, the cash, in 1970? A. Not necessarily.

*Daniel B. Grossman—for the Government—Cross*

Q. They could be in any denominations; is that correct?

A. It could be in different denominations, correct.

Q. In 1970, where would Mr. Orenstein deliver this cash to you? (755) A. In my office.

Q. Which was located at what address in 1970? A. At 333 Seventh Avenue, to the best of my recollection.

Q. Now, would Mr. Orenstein deliver the cash personally or would he send a messenger? A. He would deliver the cash personally.

Q. On all occasions? A. That I can remember.

Q. In 1970? A. In 1970.

Q. Would you always receive it when he would deliver it or would you designate some other person in your shop to receive it? A. To the best of my memory I would always receive it.

Q. And the exchange of the cash would take place in your office? A. Yes.

Q. Was there anybody else ever present when Mr. Orenstein exchanged the cash with you on these 15 occasions in 1970? A. The only one who could have possibly been present was my father and I got it.

(768) \* \* \*

Q. Fictitious and there were a number of other fictitious invoices also for 1970? A. Yes.

Q. Where are they? A. They would be in our files.

Q. Where are your files? A. Right now the files that these would be in would be at my office.

Q. Which is where? A. At 40 East 84th Street.

Q. That is your home, isn't it? A. It's now currently my office and my home.

Q. How long has that been so? A. For purposes of my real estate business, for (769) about the past year and a half.

Q. You are sure you have other records in 1970 reflecting payments and invoices to and from Mr. Orenstein; is that correct? A. I am reasonably sure that I have those.

\* \* \* \* \*

*Daniel B. Grossman—for the Government—Cross*

Q. About how many checks are we talking about for 1970, approximately? A. I would guess at around—between 15 and 20.

Q. 15 to 20? A. Right.

Q. These would be checks that you gave to Mr. (770) Orenstein, is that correct, in 1970? A. That's correct.

Q. Have you shown these checks—these 15 to 20 checks to anybody in the Government since July of 1972? A. I have shown these four checks—you mean the balance of the checks?

Q. Yes. The balance, about 15 or so. A. Since July of 1972, I don't believe so, no.

\* \* \* \* \*

Q. By the way, have you gone over the sums of those checks recently? A. No, I haven't.

Q. Did you go over the sums of those checks in 1970, the 15-odd at any time after— A. I went over them about a year ago.

Q. What do the sums total, approximately? A. I believe it was around \$80,000. That's the best of my recollection.

(771)

Q. That would be in addition to the \$22,000 we have here; is that correct? A. No. I believe that would be inclusive of the \$22,000.

Q. So, about the 15 or so checks would total about \$60,000; is that right? A. 15 or so would total about 60, right.

Q. Three of these exhibits, 32, 33 and 34, cover just a 12-day period; is that correct, in September of 1970? A. They cover a 20-day period.

Q. The checks. A. The checks. One is dated September 3 and the last one is dated September 23.

Q. Excuse me. A 20-day period; is that right? A. Yes.

Q. Now, the other checks, the 15-odd checks, did they forward in any particular month or were they spread

*Daniel B. Grossman—for the Government—Cross*

throughout the year? A. I would be willing to guess that there are more of them in the beginning of the year and more of them toward the end of the year.

Q. And the beginning of the year would be about what months? (772) A. It would be around January, February and March and the end of the year would be around October, November and December. That, again, is off the top of my head.

Q. With respect to Government's Exhibit 28, 30 and 31, would you take a look at these, please. A. Yes, sir.

Q. They cover a five-day period, don't they? A. Yes, sir.

Q. What is the period from when to when in 1971? A. In 1971, the period here would be——

Q. Well, it's April 28 to May 3, isn't it, Mr. Grossman?

A. What are the period of these, April 28 to May 3?

Q. Yes. A. I was anticipating your next question. I'm sorry.

Q. That's correct, isn't it? A. Yes.

Q. Where are all the other checks and invoices for '71? A. The checks and invoices covering this for '71 would either be at my home or at Frankel & Hoffman.

Q. Can you make arrangements to get those and (773) produce those tomorrow morning? A. Yes. I mean, I will do my best to get them by tomorrow morning.

Q. Now, you told the grand jury that this method of payments—excuse me, checks to and fro skin dealers was one of the ways that you raised your cash; isn't that correct? A. Yes.

Q. What were the other ways that you raised cash?

A. A fictitious bill from a contractor for labor.

Q. In 1970, about how many of those fictitious bills did you have? A. I really don't know how many I had, if I had any for 1970.

Q. How many 1971, how many did you have? A. In 1971 I had three or four fictitious bills from a contractor.

Q. What was the name of the contractor? A. William Poulis.



*Daniel B. Grossman—for the Government—Cross*

Q. P-o-u-l-i-s; is that right? A. o-s.

Q. That was just one contractor? A. Just one contractor? A. Just one contractor, to the best of my recollection, in 197—

(774)

Q. '1? A. '1.

Q. How much did those sums total in 1971, approximately? A. That totaled to approximately 9 or—

Q. Pardon me? A. It totaled to between 9 and \$12,000. I am not sure.

Q. Who else did you raise cash or did you receive cash from in either 1970 or '71? A. To the best of my recollection, in 1970 to '71 I can't remember anything else I raised cash from. You better let me think for a minute. I could have raised some cash from Dave Koster in either 1970 or '71.

Q. How much, Mr. Grossman? A. A possibility of about \$213,000.

Q. Cash? A. Cash.

Q. Is that 1970 or 1971? A. I don't remember which.

Q. Who else did you receive cash from in either 1970 or 1971? A. To the best of my recollection nobody else.

(775)

Q. You told the grand jury there were four or five others. Didn't you say that when you testified before the grand jury? A. I testified before the grand jury that there were four or five others in 1970 or '71 or four or five others that I had raised cash from in the past.

Q. That you had raised cash from in the past? A. There have been four or five others I had raised cash from in the past, maybe more. That's to the best of my recollection.

Q. When you went before the grand jury, Mr. Grossman, you were talking about the years '70 and '71, weren't you? A. In relation to the four or five others that I had

*Daniel B. Grossman—for the Government—Cross*

raised cash from, I believe that I was talking about that over a period of time. I don't know exactly what my testimony was as far as that was concerned, but I believe I was talking about another period of time.

Q. Do you recall testifying on October 5, 1972, before the grand jury? A. Yes.

Q. It was a rather brief session, I think it lasted only five minutes; do you recall that? A. Yes.

Q. Do you recall being asked these questions and (776) giving these answers: You referred to two skin dealers, one being Orenstein and the other one Shifn.

Mr. Sabetta: Do you have the page and line, please, Mr. Rooney?

Mr. Rooney: Page 4, line 15.

Q. Aside from those dealers, did you have any type of understanding or relationship with other skin dealers?

A. There were four or five others which would involve smaller amounts of money over the past four or five years, five or six years. That's pretty much what I just said to you.

Q. Is it your testimony that those people who you were raising money from at those times were not giving you cash in 1970 and 1971? A. To the best of my recollection, that's my testimony.

Q. Mr. Grossman, isn't it a fact that you received over a million dollars in cash in 1970 and 1971 from these people? A. I don't want to answer disrespectfully, but it's preposterous.

Q. Isn't it a fact that you paid over a quarter (776-A) million dollars to the buyers that you have mentioned in these periods, '70 and '71 in cash? A. Again, I don't want to answer disrespectfully, but it's definitely not a fact. It's completely preposterous.

*Daniel B. Grossman—for the Government—Cross*

(777)

Q. And it's also your testimony that you didn't keep a nickel, is that correct, of that cash? A. Yes.

Q. That's not preposterous, is it? A. That is not as preposterous—again, with all due respect.

Q. It is not preposterous, is it, that you did not keep a nickel?

Mr. Sabetta: I object to this, your Honor. He answered the question he did not.

The Court: I'll allow it.

Q. Answer the question, Mr. Grossman, please. A. No, I would say that's not preposterous.

\* \* \* \* \*

(781) \* \* \*

Q. When did Mr. Ricciardi come to the scene in 1971? A. Mr. Ricciardi came on the scene when I told Mr. Stofsky and Mr. Hoff that I couldn't make a decision like that on my own as far as increasing—as far as changing my operation to that degree by increasing my factory to that degree, that I wanted them to discuss it with Mr. (782) Ricciardi and explain to him the necessity for it and then let him make the final decision.

Q. Mr. Grossman, the question was when did Mr. Ricciardi in 1971 come into this picture, what month? A. What month did he come into the picture as far as my business was concerned?

Q. Yes. A. The date of the take-over of Richton was February 9th. As of February 1st, I believe.

Q. During 1971, thereafter, you continued to pay these buyers, is that correct? A. That's correct. During 1971, thereafter, I continued to pay the buyers.

Q. You told us during 1970 you paid off from 50 to 75 buyers, is that correct? A. I told you it was very difficult

*Daniel B. Grossman—for the Government—Cross*

for me to estimate how many and under your questioning I answered it is quite possible that it was 50 to 75. It is quite possible it is a hundred. I really don't know.

Q. What is your best estimate, Mr. Grossman? You paid them the money, didn't you? A. We are talking about a lot of money and a lot of small amounts to a lot of different people and I think (783) it would be very difficult for me to be able to tell it to you off the top of my head right now.

Q. Did you physically pay these people the money, yes or no, please? A. Did I personally?

Q. Yes. A. I personally paid most of the money physically.

\* \* \* \* \*

Q. The smallest payment was what, \$50? A. You can talk about a telephone operator who got \$10 or are you talking about a shipping clerk who got \$25 (784) or somebody who is charge of receiving who might have gotten \$50. There is a lot of money that was handed out. Sales people on the floor, at various stores could get any place from \$10 to a hundred dollars.

Q. These are people in addition to about the 75 to a hundred buyers, is that correct? Yes or no, please. A. That's in addition to the—the type of people that I just described.

Q. So the answer is yes, is that right? A. Yes, these were customary practices in the industry that you had to contend with to do this to survive. That is the answer.

Q. So the people who were paid off could go up to 200,000, is that right? A. Which category of people are you referring to?

Q. Pardon me? A. Which category of people are you referring to?

Q. Let me ask you this: when we are talking about buyers, there are various types of buyers, is that correct? A. Absolutely.



*Daniel B. Grossman—for the Government—Cross*

Q. There is a store buyer, is that correct? A. Correct.

Q. There is also a merchandise manager, is that correct? (785) A. Right.

Q. At times he can be an officer of a particular store or corporation, is that correct? A. There are also other kinds of buyers. There are resident—

Q. There is also resident buyers, is that correct? A. Yes, sir.

Q. And they are more or less brokers, is that correct? Can you answer that question yes or no? A. As far as brokers are concerned?

Q. Yes. A You mean brokers who get a commission from—I don't know how you distinguish between a broker and a resident buyer.

Q. Isn't it just about the same thing in that a resident buyer is somebody who has an office in New York and represents various stores throughout the country, isn't that correct? A. The only way I can define it to my understanding would be they would be synonymous, they would be the same. The broker and the resident buyer.

Q. Yes. When we talk about buyers generally we are talking about all these classifications, isn't that correct? A. That's correct.

(786)

Q. When you say that you paid off these buyers in 1970, they were from 75 to a hundred buyers that you paid off, is that right? Yes or no.

Mr. Sabetta: Your Honor, I think the testimony is he said originally 50 to 75. Then he said it may even be as much as hundred. It is improper for counsel to suggest—

Mr. Rooney: I object to this, your Honor. I don't think it's proper [*sic*] at all.

The Court: The objection is sustained. Restate the question, counselor.

*Daniel B. Grossman—for the Government—Cross*

Q. So when you talk about buyers being paid off, you are talking about 75 to a hundred people, is that correct, in 1970? A. As a broad approximation on my part.

Q. So when you talk about other people being paid off, you're talking about a number in addition to the 75 to a hundred, is that correct? A. That is correct.

Q. You say the payments to the fur buyers were based upon the volume, is that correct? A. In a lot of cases they were based upon the volume. In a lot of cases they were based upon a flat sum that was given to them at the end of the year.

Q. Didn't you tell us earlier that the payments were (787) based upon the volume that the store did? A. What I did tell you was that the average fur manufacturer of my type figures two and a half to three percent of his volume are payoffs to buyers. Or in payoffs. And that payoff figure would be all inclusive of all the categories that you got through discussing.

Q. And you mentioned a number of people earlier today, is that right, that you gave money to form these various stores, is that right? A. I answered your questions as far as to who I gave money to at specific stores.

Q. You named about eight people approximately? A. To the best of my recollection, right.

Q. The payments you gave totalled about \$25,000 to those eight people, do you recall that, approximately? A. I didn't add up the figure but I accept your figure that it would be approximately that.

Q. You said that the total amount of cash that you paid out in '70 was between 75 and 85 thousand dollars, is that correct? A. I said the total amount of cash that I estimated the bills from Murray Orenstein to me would be around 80,000, guessing at this figure without having the precise figure in front of me.

(788)

Q. Mr. Grossman, you look at all these bills and in-

*Daniel B. Grossman—for the Government—Cross*

voices and checks that you had to and fro Mr. Orenstein when you testified here, didn't you? A. I didn't total up these bills from Orenstein before I testified. I did total them up about a year ago and to the best of my recollection it was around \$80,000.

Q. So the payments that you made to all these other people is the \$80,000 minus the \$25,000 that you already testified to, is that correct? A. The payments—in this figure of \$80,000, if the only source of my money in 1970 was Orenstein, it would be 25,000 plus the \$12,000 that I gave to Gold and the difference being what I had given to other buyers approximately. Now, one year overlapped into another year, Mr. Rooney, and—so I don't know how one year overlapped—

Q. That is important, Mr. Grossman. Can you tell us what did overlap into the year 1971? A. For instance, a buyer could have bought merchandise in 1969 and we may have paid—he may not have gotten into New York until 1970, so we would have paid him against the '69 business and he came in in 1970.

Q. But still, your approximate figure is 75 to 80 thousand dollars according to your testimony? A. Yes.  
(789)

Q. Isn't it a fact that there was substantially more than that? A. Not to the best of my recollection.

Q. Is it possible it was substantially more than that? A. The word substantially would have to make me answer your question no.

Q. Is it possible that it was a million dollars, Mr. Grossman? A. Impossible.

Q. Is it possible that it was \$500,000. A. Impossible.

\* \* \* \* \*

(791) \* \* \*

Q. You testified on your direct testimony that you were also engaged in these years, '70 and '71, in the real

*Daniel B. Grossman—for the Government—Cross*

estate investing business? Is that correct? A. My corporations were engaged in real estate (792) investment.

Q. In the years '70 and '71? Is that right? A. Yes. The answer is yes.

Q. Which corporations of yours are engaged in real estate business ventures? A. A corporation called DBG Trading Corporation, and the second corporation, called Bertram Operating Corporation.

Q. You are the sole owner of these corporations? A. Yes.

Q. How long have they been in existence? Each of them? A. Each of these? DBG Trading Corporation was formed around 1953, and Bertram Operating Corporation, I believe, was formed around 1959 or 1960.

Q. Now, in 1971 did the DBG Corporation make any investments in real estate?

Mr. Sabetta: Objection. I don't see what relevance that has to this case.

The Court: Sustained.

Mr. Rooney: May we approach the side bar, your Honor?

The Court: Yes. (At the side bar.)

(793)

Mr. Rooney: Your Honor, I have a firm ground to ask these questions. We have information that there was substantially more cash involved during this period. This is a bribe case. This man had to justify how he came up with \$12,000. He was dealing with substantial sums of cash, and I think I have a right to probe on this. We are talking about the period in question, 1970, '71.

The Court: I will allow some of it. (In open court.)

The Court: The objection is overruled.



*Daniel B. Grossman—for the Government—Cross*

Mr. Rooney: May we have the question read?

(Question read.)

A. The answer is yes.

Q. What was the total amount of the investment or investments in that year? A. In the year '71 the dollar amount of the equity investment on the part of DBG or the dollar amount including the mortgage on the property? The dollar amount of the money in DBG, the amount of cash that DBG invested?

Q. Yes. A. DBG's investment, I would say, was around \$800,000.

(794)

Q. How about 1970? A. Excuse me. I'm getting a little mixed up in my date. No—'71 is correct on that. In 1970 DBG made no investments in real estate, to the best of my recollection.

Q. How about the other corporation that you mentioned that was active in real estate? What was the name of that corporation? A. Bertram Operating Corporation.

Q. Did Bertram make any real estate investments in '70? A. No.

Q. How about '71? A. Yes.

Q. How much? A. Around \$200,000.

Q. You are the only shareholder in these companies, are you? A. I am.

Mr. Rooney: May I just have a minute, your Honor?

A. Yes.

Q. Mr. Grossman, you testified that you met Mr. (795) Stofsky in early 1970? Is that correct? A. When you say I met him, you mean I met with him?

Q. Yes. A. Yes, I met with Mr. Stofsky in early 1970.

Q. You testified that you told Mr. Stofsky that you

*Daniel B. Grossman—for the Government—Cross*

were paying a man by the name of Koch \$12,000 a year at this meeting? Is that correct? A. That is correct.

Q. Now, Koch was not a union official, was he? A. No, he was not.

Q. I think you mentioned a man by the name of Koster, too, David Koster? A. At that meeting?

Q. In your testimony, excuse me. A. Yes, I mentioned David Koster.

Q. David Koster was not a union official, either, was he? A. No, he was not.

Q. It's a fact, is it not, Mr. Grossman, that you paid in February '70 David Koch \$7500—Mr. Koster, excuse me? A. In February of '71, in or about February, 1971, I paid David Koster \$7500.

(796)

Q. It is February '70, isn't it? A. No—in or around February '70, right.

Q. Is that correct? A. That is correct.

Q. Who was David Koster? A. Who was he?

Q. Yes, who was he? A. He is a contractor in the fur business, I believe. He also probably manufactures his own merchandise, and from what I understand now he has a retail store also.

Q. How about Mr. Koch? He's dead now, is he? A. Yes.

Q. Before he died what type of business was he in? A. Well, to the best of my knowledge he was in the money lending business.

Q. He was a loanshark, wasn't he? A. Right.

Q. Did you ever borrow any money from him? A. No—wait a second. On one occasion I may have borrowed some money from him.

Q. When was that occasion, Mr. Grossman? A. I think on one occasion when I couldn't get cash—in fact, on either one or two occasions when I couldn't get the cash that I needed to make the payment (797) that I made

*Daniel B. Grossman—for the Government—Cross*

to him in the beginning of every year, which was \$7500, I had to borrow some of it from him, in which he did charge me his normal rate of interest, and the reason I borrowed from him is because I needed it in cash at the time.

Q. When was the first time that you borrowed for him approximately? A. I can't remember. It would have to be some time between 1965 and 1969, say, on one or two occasions I borrowed some money from him. I don't know whether it was one occasion or two occasions.

Q. On the first occasion how much money did you borrow? A. The figure that comes to my mind is \$5000.

Q. You think this occasion was when? About what year? A. Some place between, including 1965 and 1969.

Q. And you think there might have been a second occasion? A. Possibly there might have been a second occasion when I might have needed—I might have been short two or three thousand dollars at that particular time to make this payment.

Q. If there was a second occasion when would it (798) have been approximately? A. It would have to be in the beginning of the year, because that is when I made the payment of \$7500 to him.

Q. Did he ever borrow any money from you? A. He might have borrowed a thousand dollars from me once. I don't remember. To the best of my recollection, no.

Q. To the best of your recollection what? A. To the best of my recollection, no.

Q. So you were paying Mr. Koch in the 1960s up until 1970, \$7500 a year? Is that correct? A. Well, that wasn't all I was paying him.

Q. But you were paying him \$7500? A. In the beginning of each year.

Q. And at the end of each year you paid him another \$1000? A. At the end of each year I paid him another \$1000.

*Daniel B. Grossman—for the Government—Cross*

Q. Plus, you also gave him 5 per cent of your labor cost to the contractors? A. That is correct.

Q. And this started what year? A. Well—  
(799)

Q. Excuse me, Mr. Grossman, can you tell us what year this started? A. Precisely the way you put it to me—

Q. Can you tell us what year approximately these payments started? A. I would say approximately 1966.

Q. And they continued up until February of 1970? Is that correct? A. Yes.

Q. And at the beginning of every year you would pay Mr. Koch \$7500? Is that correct? A. That is correct.

Q. And at the end of every year you would pay him, \$1000? Is that correct? A. There may have been one year that I didn't pay him a thousand dollars a year, but I would guess between '66 and '70 I paid him a thousand at the end of every year.

Q. And you would also give him this 5 per cent figure? A. 5 per cent of our total contracting labor. I don't remember whether it was with non-union shops or all contract, but I paid him 5 per cent of the contracting labor.  
(799A)

Q. What is your best recollection? A. Of whether it was non-union shops or all contracting?

Q. Yes. A. I guess it would be with non-union shops.  
(800)

Q. What was the volume in 1965 you had with non-union shops with contractors, approximately? A. The volume of business or the volume of the labor figure?

Q. Labor figure. A. Well, let's see. Going backward, I was giving them, I think, an average of about \$2,000 a month or a little less, so that would be \$24,000 a year, which would be 5 per cent or a little less than \$500,000, I guess.

Is that correct, as far as my mathematics? I don't know. I would say the total of labor figure—the total



*Daniel B. Grossman—for the Government—Cross*

labor figure would have to be between—I would say it was around \$400,000. Now, this would probably encompass contracting with union shops.

Q. I missed the last part of the answer. A. I said this would probably encompass contracting with union shops. It sounds like a hard figure for me for union shops. It's possible—if we produced two million dollars a year with non-union shops and sales, it's possible that the labor figure went up as high as 400, 450 thousand.

Q. And Mr. Koch would get 5 per cent of that; is that right? A. Mr. Koch would get 5 per cent.

Q. That's \$20,000, is that right? (801) A. 5 percent of 400,000 would be 20,000, right.

Q. So he would get the 7,500, the 20,000 plus another thousand; is that correct? A. Or better than the 20,000. He could have made—in certain years he could have made as much as 24, 25 thousand against the 5 per cent.

Q. When would you pay him this 5 per cent, what time of the year? A. Monthly.

Q. Monthly. At the end of each month or the beginning of each month? A. At the end of each month Mr. Koch was very anxious to get his figure of exactly what we did that month and I would try to give it to him within two or three days of the end of the month.

Q. And you would pay him in cash; is that right? A. Yes.

Q. In big bills or small bills, do you recall? A. I presume from memory that most of the payments of 2,000 and 1,800 would be in hundred dollar bills.

Q. Where were you getting this cash from in 1965? A. In 1965 it's hard for me to remember where I was getting this cash from. It was—I would say that it was (802) from fictitious skin bills.

Q. From Mr. Orenstein was it? A. It's possible that Orenstein started at '65. I'm not sure.

*Daniel B. Grossman—for the Government—Cross*

Q. How about in 1966, did you get money from Mr. Orenstein, do you recall? A. I am still not sure. I would say off the top of my head probably.

Q. Do you recall what your volume was in 1966 for the labor that we have been discussing? Approximately. A. I think that between 1966 and 1969, guessing, again, my volume was very fairly constant at about two and a half million dollars—two and a quarter million, two and a half million, between those years.

\* \* \* \* \*

Q. In the year 1969, how much did you pay Mr. Koch? A. In the year 1969 it would probably be consistent with the figures that we have just mentioned. In other words, (803) it would be an average of 2,000, 1,500, 1,800, 1,200. Certain months would be a thousand dollars, if it was in February or March and certain months would be \$3,000 and I would say that the average would have been a little less than \$2,000.

Q. In 1969 were you getting cash from Mr. Orenstein? A. I believe I was.

Q. How much cash did you get from Mr. Orenstein in '69, about? A. According to my recollection, having looked it over about a year ago, there was one year that was a larger amount and it's quite possible that was 1969. That was the year that it was about \$90,000. I'm not sure.

Q. Mr. Grossman, isn't it a fact that you were borrowing heavily from Mr. Koch and the payments that you were giving him or gave him were repayments to him with interest? A. It was not a fact. What I have just testified, one or two loans, possibly. One I'm pretty sure of is a fact. It's not a fact I borrowed heavily.

Q. It is not a fact that you were in to him since he was a shylock? Excuse me, I will withdraw it. It is not a fact that he was in to you since he (804) was a shylock, is it? A. I don't understand the sequence that he was in to me since he was a shylock.

*Daniel B. Grossman—for the Government—Cross*

Q. Wasn't he charging you vigorish for the money?

A. For the one or two loans that I described, the second which is possible, the first one which is probable, he charged me interest on a loan.

Q. Didn't you borrow approximately \$40,000 at the beginning of every year in the late '60s from Mr. Koch?

A. Definitely not.

Q. You are sure of that? A. Positive.

Q. When you met Mr. Stofsky in early 1970, you told Mr. Stofsky, did you not, Mr. Grossman, that you had been paying Mr. Koch \$12,000 a year? Is that your testimony, yes or no? A. Yes, it is.

Q. Now, you met with Mr. Stofsky within a few months after Mr. Koch died; is that correct? A. Yes, I did.

Q. Mr. Koch died, do you recall when? A. He died in the early part of 1970. I don't remember the month. I think it was in January or February of 1970.

Q. Would you take my word for it that he died on (805) March 30, 1970? A. It's quite possible.

Q. And you met Stofsky within a few months after that; is that correct? A. Correct.

Q. That's around May or June of 1970; is that correct? A. It could have been as late as May. I doubt very much whether it was in June, because I wouldn't have permitted myself to wait that long. June is a very important month to us. My best guess would be that it would be either in April or May after that.

Q. You said you met Stofsky within a few months after Koch died, didn't you? A. A few to me is two.

Q. A few to you is two? A. Yes.

Q. So that would be through April and through May and like June 1st; is that fair to say? A. Yes. When I approximate the time a few months, it's an approximation.

Q. Well, you said a few months to you is two; is that correct? A. Right. I said it's an approximation.

*Daniel B. Grossman—for the Government—Cross*

Q. And then you met Gold, is that correct, after you (806) you met Mr. Stofsky? A. Yes.

Q. And you met Gold, you said this morning, about six weeks later; is that correct?

Mr. Sabetta: That's not his testimony, your Honor. I object to that.

Mr. Rooney: I say it is.

Mr. Sabetta: He said anywhere from two to six weeks.

The Court: The objection is sustained.

Q. How long after did you meet Gold after you met Stofsky? A. My recollection is still around the same, around from two to six weeks afterward. It was a short time afterward.

Q. Well, that would take us into June—early July, would it not?

The Court: After what, sir?

The Witness: After meeting with Mr. Stofsky.

A. That would—if the last date—depending upon the date within that period of two months you are talking about—was in the latter part of May, it's possible. According to my recollection at this moment it was much earlier. (807)

Q. Your recollection is that it took place—the payment took place in April of 1970 to Mr. Gold; isn't that right?

A. That was my original recollection.

Q. And you know that Mr. Grossman, because of Government Exhibit 35; isn't that right? A. Government Exhibit 35 to my knowledge is not to be specifically money paid by me to Mr. Gold. There were a number of other checks which we just went through.

Q. But it is your testimony that you paid Gold \$6,000



*Daniel B. Grossman—for the Government—Cross*

in April of 1970; isn't that correct? A. As far as the times of when I made payments—

Q. Excuse me. Is that your testimony or isn't it? A. I would still have to qualify my answer in order to answer the question, Mr. Rooney. As far as the time—my answer is that I gave Mr. Gold \$6,000 in the beginning of the year. There was no qualification of that. I'm sure of that.

Q. You have told us in the beginning of the year—

Mr. Sabetta: Your Honor, he is trying to finish the answer.

Mr. Rooney: Excuse me.

A. As far as the precise time is concerned, that I am not sure about and at no time have I ever been sure (808) about it.

Q. What is the beginning of the year to you? What months would that cover? A. The beginning of the year would ordinarily cover the first three months, first four months of the year.

Q. So you said you paid Gold in the beginning of the year in 1970; is that your testimony? A. The testimony based on the approximation of time.

Q. Do you want to change your testimony, Mr. Grossman? A. No. I think I approximated the time before and I still approximate the time.

Q. And your best recollection is April of 1970; is that right? A. Approximately.

Q. It could be March; isn't that right? A. If Harry Koch died at the end of March of 1970—and I accept your figure on it—then definitely it could not be March, because it was after Harry Koch died.

Q. And you didn't find out Harry Koch died until today on March 30th? is that right? A. When you used the expression find out—I wasn't aware of the precise date within the past year or two until you just told it to me right now.

*Daniel B. Grossman—for the Government—Cross*

Q. So it is your testimony that you paid Gold the (809) first payment around April of '70, right? A. Around April 3rd.

Q. Is that your best recollection? A. My best recollection is that I paid Gold the first payment around April, May. Based on the figure that you have just given me, I would say it is possible that I paid it in May. I would doubt very much whether I paid him as late as June.

\* \* \* \* \*

(810)

Q. When you met with Gold, your testimony is that he pressed you for the money; is that your testimony? A. You used the expression pressed me for the money. I testified that he came in, he said he wanted to see me and he sat down. He said "We know what you have been doing. You haven't been getting by with us on the arm. We know this money has been spread around." He was telling me, in essence, if you want to call that pressing, I guess you would call that pressing.

Q. That's the word you used in the grand jury, isn't it, Mr. Grossman? A. Yes.

Q. You told Gold it was going to take you a couple of months to raise the money, didn't you? A. I believe I did.

Q. So the payment couldn't have taken place in April of '70, could it, Mr. Gold, or anywhere around April of '70? A. When you say anywhere around April of '70, I would have to disagree with you.

Q. It couldn't have taken place—the earliest it could have taken place was in September of 1970 according to the days that you have given us, isn't that correct? A. No. I definitely wouldn't say that. You said before (811) that I told Gold it would take me a couple of months to raise the money. I did not say that it did take me a couple of months to raise the money.

Q. What did you tell Gold? A. I told Gold—as far as the money is concerned?

*Daniel B. Grossman—for the Government—Cross*

Q. Yes. A. I told him that \$12,000 was a large sum for me to raise in cash at one time and that I would like to spread the payments out.

Q. We are talking about a first \$6,000 payment, Mr. Grossman, aren't we? A. As far as the first \$1,000 [sic] payment, it's possible that I told Gold that it would take me a couple of months and it's also possible that after telling him that I paid him much sooner than that.

Q. You testified in the grand jury on July 13, 1972—you recall that, don't you? A. What part of my testimony are you referring to?

Q. Well, do you recall testifying before the grand jury on July 13th of 1972? A. Yes.

Q. Were you asked this question and did you give this answer? It is on page 14, line 20.

(812)

“Q. And the first payment you made to Gold was in or about April of 1970? A. Yes.

“Q. Do you recall about how long that was after you made this arrangement with Gold? A. Yes. It was a couple of months, because he pressed me for the money and I told him that it took a while to get that much cash.”

Q. Did you give those answers to those questions? A. Well, that's—

Q. Yes or no? Did you give the answers to those questions, please? A. It sounds like—I accept the fact that you were reading my testimony.

Q. Don't accept that. Let me show you the document.

Mr. Rooney: Let the record show I am showing the witness Exhibit 3525 and directing his attention to page 14.

\* \* \* \* \*

(813) \* \* \*

Q. And that was your testimony before the grand jury, as I read it to you? A. That was my testimony to the best

*Daniel B. Grossman—for the Government—Cross*

of my recollection as far as dates are concerned. This all transpired about four years ago and as far as the precise months and the precise weeks or the length of times between the appointments, I cannot be accurate about it. As far as what—as far as having given him the money is concerned, I am positive about that.

Q. You are sure about that? A. Right. After this amount of time, you are getting the best of my memory and they got the best of my memory at the grand jury at the same time.

(814)

Q. But you told the grand jury under oath what I said you told them, isn't that correct? A. That's correct.

Q. What is your best recollection as you sit there now as to when this first payment was, approximately? A. It would be a short period of time. If Koch died in March—

Q. Excuse me, Mr. Grossman. Could you think to yourself and answer the question, please. What is your best recollection as you sit there now when it was? A. Probably some time in the month of May.

Q. It couldn't have been in September, you are sure of that, is that right, the first payment? A. I would doubt it very, very much.

Q. Well, is there a possibility that it might have been in September, the first payment? A. As I said, I doubt it very, very much. I would doubt the possibility.

\* \* \* \* \*

(829) \* \* \*

Q. Mr. Grossman, you testified on your direct examination that you had very little problems with the union between 1964 and 1970? Is that correct? A. Yes.

Q. I believe you testified that aside from paying a \$150 fine, you testified, "But I don't believe that we had any serious harassment of any kind." Do you recall that? A. Yes.



*Daniel B. Grossman—for the Government—Cross*

Q. In February of 1964 you were charged with contracting by the union, were you not? A. In February of '64? It's quite possible.

Q. I think on three occasions? Isn't that correct? (830)

A. In the same month?

Q. No, February, July and October of 1964. A. It's quite possible.

Q. And in May of 1965 you were charged with contracting? Do you recall that? A. No. It is nine years ago. But it is also possible.

Q. And in March of '66 you were charged with contracting? Do you recall that? A. Also possible.

Q. And in January of 1967 you had to pay a \$2,000 liquidated fine ordered by the impartial chairman? A. In January of '67?

Q. January 19, 1967. A. Liquidated damages for what?

Q. You joined the association, I believe, on March 8th of '65? Isn't that about right? A. I joined the Association of Fur Manufacturers or the United Association.

Q. Associated Fur Manufacturers. A. All right, on March 8, '65.

Q. Is that right? About? A. I would say around that time.

Q. And when you joined you promised to employ four to six additional workers, union men, didn't you? (831)

A. At that time I joined the association?

Q. Yes. A. No, I promised to employ—I really don't remember. Originally I promised to employ four to five operators when I formed the union shop, which would have been six to eight workers in 1959 or 1960. I don't remember promising to employ four to six additional workers. I don't know how many I had in '65, and I don't remember how many I promised to employ.

Mr. Rooney: May this be marked as a defense exhibit for identification, please.

(Defendant's Exhibit N marked for identification.)

*Daniel B. Grossman—for the Government—Cross*

Q. Would the record reflect that I am showing Mr. Grossman Defendant's Exhibit N for identification and asking him to direct his attention to the first paragraph to see if that refreshes his recollection? It is just the first paragraph, please. A. You don't want me to read the rest of it?

Q. No, not right now. A. I read the first paragraph.

Q. Does that refresh your recollection? A. No.

Q. Did you promise to employ four to six workers at any time in 1965 and 1966? A. I do not remember. I honestly do not remember.

(832)

Q. What is your best recollection? Do you have any?

Mr. Sabetta: Your Honor, I am going to object to this. It is transparently clear he doesn't remember.

Mr. Rooney: I think I have a right to probe on this.

The Court: Go ahead, but he says he doesn't remember.

Q. You do remember having to pay on January 19, 1967, a \$2,000 fine? A. I do not remember that, either.

Q. Would you read the remainder of this document and see if this refreshes your recollection? Take your time. Have you had an opportunity to read that exhibit for identification? A. Yes.

Q. Does that refresh your recollection? Yes or no. A. No, it doesn't, but I am curious about one thing—was the \$2,000 paid?

Q. It was your fine, Mr. Grossman? Can't you answer that? A. I don't remember having ever paid a fine of \$2,000 in 1967.

Q. Do you remember being assessed a fine of \$2,000 in 1967? A. I don't remember being assessed a fine of \$2,000, and I don't remember being assessed a fine of

*Daniel B. Grossman—for the Government—Cross*

\$2,000, and (833) I don't remember paying a fine of \$2,000 in 1967.

Q. You don't have any recollection of this incident involving the four to six workers? A. In '67 I have no recollection.

Q. Defendant's Exhibit N for identification doesn't refresh your recollection? A. No, it doesn't.

Q. You were charged with contracting by the union in September, 1967. Do you recall that? A. No, I do not.

Q. Isn't that where you paid the \$150 fine? A. I mentioned before that I paid a \$150 fine. You mentioned about eight or ten complaints so far that I was charged with, and I mentioned before I didn't know which one you're talking about. But I remember there was a complaint, and I paid a \$150 fine. I think the complaint was considerably before the fine was paid.

Q. The fine was in 1969? Do you recall that? A. I know I paid a \$150 fine against a complaint.

Q. I am asking you, do you remember being charged with contracting by the union on September 20th, '67? Do you recall that? A. Yes. I actually had my memory refreshed on this. There was a complaint in 1967 and I paid a fine of \$150 in (834) 1969.

Q. So you do recall that one? A. I have had my memory refreshed on that, and now I remember the dates of the \$150 fine.

Q. And you recall being charged with contracting by the union on August 18, 1969? Two mink coats? A. I don't recall the specifics. I know there were a few complaints over this period of time, and just one fine that I was fined, which was \$150, and the dates of 1967 I was paying a fine in '69 sound accurate to me.

Q. The question, Mr. Grossman, do you recall being charged with contracting by the union on August 18, 1969? Yes or no, please. A. No, I don't.

*Daniel B. Grossman—for the Government—Cross*

Q. Do you recall being charged with contracting by the union on September 10th of 1970? Yes or no, please. A. No, I don't.

Q. Of course, you admitted committing about 37 separate instances of contracting between February, 1972, and April of 1973? Isn't that correct? A. You mean the documentation before the arbitration in '72 and '73?

Q. That is correct. A. I will accept it is 37 instances of contracting. (835) The total money, to the best of my recollection, was around \$40,000.

Q. You will accept 37 instances? A. Yes, I will accept that.

Q. And you say you paid a fine of \$10,000? Is that correct? A. Yes.

Q. And that fine was assessed by the impartial chairman in the industry? Is that also not correct? A. I don't believe so, Mr. Rooney. I believe the impartial chairman said—I presented the proposition that I was trying to sell the company to a European company and that with the union's insistence of having me be in violation of the contract, that I would have to add more employees, I would lose the possibility of selling the company to the European company, since I represented a different amount of employees when we first started negotiating. So I said I would prefer to have the arbitrator impose a fine. We admitted we were in violation of the contract, and asked the arbitrator to impose one. He refused to impose a fine.

At that point the union left the room, and it came back in the room and said that during the period of two weeks between the time that I was suspended from the association, that they would try to negotiate a settlement (835a) with me, at which point we negotiated the settlement of \$10,000. So the answer is that the arbitrator didn't impose the fine. I had asked him to, but I negotiated the fine with the union.



*Daniel B. Grossman—for the Government—Cross*

(836)

Q. That you recall very well, don't you, Mr. Grossman?

A. Sure.

\* \* \* \* \*

(884) \* \* \*

The Court: Now, sir, there are two matters which you wish to speak to which relate to testimony which you gave yesterday?

The Witness: Yes, sir.

The Court: What are they?

The Witness: Mr. Rooney asked me whether I ever paid the buyer for Gus Mayer of Louisville. Gus Mayer is (885) a group of stores. I don't know who the buyer for the Louisville store is. I believe what he intended to ask me was had I ever paid the buyer for Gus Mayer Stores. My answer was no, I had never paid the buyer for Gus Mayer in Louisville, but based on what I think his question was intended to ask me, I had paid the buyer for Gus Mayer Stores during the year of 1970.

The Court: All right, anything else?

The Witness: The second one was—Mr. Rooney asked me whether I had paid for Stix, Baer and Fuller in 1970. I wanted it clear that to the best of my recollection I had not paid the buyer for Stix, Baer and Fuller in 1970.

The Court: All right, go ahead, Mr. Rooney.

Cross-examination continued by Mr. Rooney:

Q. Mr. Grossman, how much did you pay those buyers, the ones that you just described? A. The Gus Mayer in New York buyer got 5 per cent of whatever he purchased.

Q. What is your best recollection as to how much that amounted to? A. It would be about \$2,000.

Q. What was his name? (886) A. Arthur Cohen.

*Daniel B. Grossman—for the Government—Cross*

Q. How about the buyer of Stix, Baer? A. I doubt whether I did any business with them in 1970. I don't remember. I don't remember having paid him anything in 1970.

Q. That would also be true of '71; is that right? A. No. In '71 we did business with them. I don't remember whether I paid him. It's quite possible that somebody in my organization paid him in 1971, somebody else who was handling the account. I don't remember.

Q. Your best recollection is that you do not remember; is that correct? A. Right.

Q. Now, what's the man's name? A. Schisler.

Q. Now, you have produced certain records, I think about ten minutes ago this morning; is that correct? A. Yes.

Mr. Rooney: May the record reflect that I am showing Mr. Grossman Defendants' Exhibit O for identification.

Q. Would you take a look at the exhibit, please. Have you had an opportunity to examine the exhibit? A. Yes. I went over these this morning.

Q. And these are checks and invoices from your files; (887) is that correct? A. Yes.

Q. They reflect check payments by you to Mr. Orenstein; is that correct? A. That's correct.

Q. Let me see the exhibit, please. The checks cover the period of 1970; is that correct? A. Yes.

Q. Plus there were three checks in early 1971 in this Exhibit O for identification; is that correct? A. Yes.

Q. An invoice is attached to each check; is that correct? A. Yes, that's correct.

Q. Each one of these invoices is falsified; is that correct? A. That's correct.

*Daniel B. Grossman—for the Government—Cross*

Mr. Rooney: We offer these, your Honor.

Mr. Sabetta: No objection.

The Court: Received. (Defendants' Exhibit O received in evidence.)

Q. Now Mr. Grossman, would you take a look at Defendants' Exhibit P for identification. (888) A. Yes, sir.

Q. Would you tell us what Defendants' Exhibit P for identification consists of? A. These are checks and paid notes in payment for invoices from Schefflin-Reich during the year of 1971.

Q. These were checks payable to Schefflin-Reich from your company, Dan Grossman Fur Division; is that correct? A. That's correct.

Q. These records come from your file; is that correct? A. Yes.

Mr. Rooney: We offer these, your Honor.

Mr. Sabetta: No objection.

The Court: Received. (Defendants' Exhibit P received in evidence.)

Q. Now, those records that you just looked at, Defendants' Exhibit P in evidence, cover the year 1971; is that correct? A. That's correct.

Q. How much cash did you receive, approximately, from Schefflin-Reich in 1971? A. I estimated \$75 to \$80 thousand.

Q. Did you receive cash from any other sources in (889) 1971? A. Not that I can remember.

Q. Did you receive cash from any other skin dealers? A. Not that I can remember.

Q. Is Schefflin-Reich the only source that you had for cash in 1971, to the best of your recollection? A. To the best of my recollection, yes.

Q. I take it it is your testimony that you used this \$70 or \$80 thousand to pay off buyers and the \$12,000 to Mr. Gold; is that correct, in 1971? A. That's correct.

*Daniel B. Grossman—for the Government—Cross*

Q. And the number of buyers would be about the same, 50 to 75, possibly a hundred; would that also be correct?

A. I am not sure of that figure. When you include resident buyers, buyers, people who collected their commissions on retail sales in cash, deputy store personnel and sales people, errand boys and secretaries, minor personnel—I'm not sure of the exact amount of people involved.

Q. Let's leave out the minor personnel, secretaries and errand boys. A. I am still not sure of the exact amount of buyers throughout the country.

Q. Yesterday, Mr. Grossman, you testified that to (890) the best of your recollection you thought that the number of buyers ran from 50 to 75, possibly 100; do you recall that? A. I believe I qualified it, Mr. Rooney, with the fact that I still wasn't sure.

Q. In 1970, can you recall approximately how many buyers you paid off? Just approximately. A. No, I don't.

Q. You have no way of recalling? A. No way of recalling and without a complete analysis of each account in trying to analyze the personnel for each account.

Q. Is that also true for 1971? A. That would also be true for 1971, right.

Q. You can't give us an estimate for 1971, just an approximate estimate? A. No. My opinion is that I don't think the hundred is far fetched. I think the hundred is possible, if that will help.

Q. In 1970 you were living at 40 East 84th Street; is that correct? A. Yes.

Q. You also live there now; is that correct? A. Yes, sir.

(891)

Q. How many rooms is your apartment? A. Seven.

Q. Is that a penthouse? A. No, sir.

Q. How much rent do you pay there—were you paying



*Daniel B. Grossman—for the Government—Cross*

in 1970 per month? A. I pay maintenance, not rent. I own the apartment.

Q. What? A. I pay maintenance, not rent. I own the apartment.

Q. What's your total per month to live in that apartment? What was it in 1970? A. The maintenance of the apartment in 1970 I believe was over \$800. It has gone up since. I don't know whether that was the amount. It's over \$900 now.

Q. In 1970 it was approximately \$800? A. I don't know. It may have been \$900 then. I don't remember what.

Q. Did you have a maid at that time? A. Yes.

Q. Did you have a chauffeur at that time in 1970? A. Yes.

Q. Now, in 1970 you reported approximately \$67,000 in income; is that correct? A. That's correct.  
(892)

Q. Do you recall in that year you had about \$32,000 in deductions? A. I don't recall, but I will accept the fact based on the fact that you have my return there and I know my deductions were heavy.

\* \* \* \* \*

(894) \* \* \*

Mr. Rooney: Let the record reflect I am showing Mr. Grossman Defendants' Exhibit Q for identification.

Q. Would you examine that, please, Mr. Grossman. A. Is there anything specific you want me to examine (895) because it is a long return.

The Court: You recognize it, sir?

The Witness: Yes, sir.

*Daniel B. Grossman—for the Government—Redirect*

Q. That's a copy of your tax return for 1970; is it not?

A. Yes.

Q. Your deductions that year totaled approximately \$32,000; is that correct? A. Yes.

Q. And you paid about \$8,900 in full income taxes on the first page; is that correct? A. Yes.

Mr. Rooney: May this be marked for identification.

(Defendants' Exhibit R marked for identification.)

Q. Showing you this Exhibit R for identification, Mr. Grossman, that's a copy of your 1971 tax return; is that correct? A. Yes.

Q. In that year you reported income of approximately \$101,000; is that correct? A. That's correct.

Q. And you had deductions of about \$50,000; is that correct? A. Yes.

(896)

Q. You paid federal taxes of about \$20,480; is that correct? A. Yes.

Q. In 1971 you were residing at the same address; is that correct? A. Yes.

\* \* \* \* \*

(898) \* \* \*

Redirect Examination by Mr. Sabetta:

Q. Mr. Grossman, for the years 1970 and 1971, did you have any funds available to you for purposes of your (899) own expense and those of any dependents you might have other than those which have been mentioned in court? A. Yes. For the year of 1970 I had \$24,000 from the family of my daughter's deceased mother, a wealthy family who wanted my daughter to live in a certain style. There was \$24,000 as a gift from them during that year of 1970.

*Daniel B. Grossman—for the Government—Redirect*

Q. Did you, during either 1970 or '71 take any loans from any institution? A. Yes. I have a \$60,000 mortgage on my apartment. I have had substantial loans from various banks over a period of years, I would say a number of them totaling any place from \$5 to \$25 thousand, which I paid out over a series of years.

Q. Now, yesterday Mr. Rooney asked you about investments in two corporations called DBG and Bertram; do you recall that? A. Yes.

Q. You testified that you had invested \$800,000 in 1971. Is that accurate? A. No. The actual investment—I checked further—was made on January 27th of 1972.

Q. In which company was that made? A. \$800,000 from DBG Corporation, which was formerly (900) Dan Grossman Corporation, my fur business which had been established in 1953 and \$200,000 from Bertram Operating Corporation, which was formerly my fur business which—H & D Grossman, which had been established in 1959, to the best of my recollection.

Q. When you sold the interests in your corporations which you did sell in February of 1971 to Richton, how much did you ultimately realize from that sale? Approximately. A. Would you repeat the question, Mr. Sabetta?

Q. Yes. You have sold, you told us, interests in your corporations in February of 1971 to Richton International; is that correct? A. No, sir.

Q. What did you sell? A. I sold the business as a going business. Originally Richton had offered me \$1,100,000 for the corporations on a three-year cash payout. I felt that my business was in a liquid position, so rather than accept the \$1,100,000 for the corporations, I made a deal with Richton whereby I retained these two corporations, changed the name of them from Dan Grossman Corporation to DBG and from H & D Grossman to Bertram Operating Corporation. I took \$250,000 from Richton for the business as a going business with none of the

*Daniel B. Grossman—for the Government—Redirect*

assets or liabilities of the (901) business. They bought the leasehold, the premises, the furniture, the fixtures, the equipment and a going business with going accounts, but none of the assets or liabilities of my own corporations, which I retained, changed the name of them and put them in the real estate business. These corporations had been in business for a good many years.

Q. Now, when that sale was closed, I think you told us on or about February 9, 1971; is that correct? A. Yes, sir. It was closed February 9th as of February 1st.

Q. What did you realize immediately from the sale of the items you described? A. On closing, Richton gave me a check for \$250,000.

Q. Over the course of the next year or so, what did you realize from those parts of the corporations which you retained? A. The financial statement of the corporations at the end of 19—on January 31, 1971, the financial statements of the corporations in cash—the net worth of both corporations as of January 31, 1971, was \$816,000. I then realized additional money in these corporations from the sale of the \$150,000 of inventory that I had on hand which I sold at no overhead to myself based on the agreement that I made with Richton, so I would say at the (901a) end of that period I had over \$800,000, plus the \$250,000 which Richton paid me for the business as a going business.

\* \* \* \* \*

(903)

Q. Were any of those moneys later used by you in the investments earlier described by you in real estate? A. Yes, the money that was used, the money that was in these two corporations was used in the investments that I described, in real estate at the end of 1971, the beginning of 1972.

Q. Now would you take a look at Government's Exhibit 50 for identification, please, and tell us what it is, if you



*Daniel B. Grossman—for the Government—Redirect*

can? A. It is an agreement between Richton International Corporation, buyer, H & D Grossman, Dan Grossman Corporation, sellers, and Daniel B. Grossman, shareholder.

Q. Is this contract that you just referred to for February of '71? A. Yes.

Q. You are shaking your head. Would you say something so the reporter can write it? A. I said yes, sir.

Q. I am sorry. I didn't hear you.

Mr. Sabetta: We offer this in evidence, sir.

Mr. Rooney: No objection, your Honor.

The Court: Received. (Government's Exhibit 50 was received in (904) evidence.)

Q. Mr. Grossman, do you recall yesterday Mr. Rooney asking you about certain payments you had made to a Mr. Koch? A. Yes.

Q. You remember those series of questions he asked about that? A. Yes.

Q. Do you remember him asking you whether those moneys that you paid to him constituted repayments of loans, and I believe the word he used was vigorish on the loans? A. Yes.

Q. Do you remember what you said at that time to that question? A. Yes.

Q. What was it? A. I said that there was possibly one loan that I had made from Mr. Koch at the time I needed the \$7500 in cash and didn't have it in cash, in currency, and that there was possibly another loan of a thousand dollars which I couldn't remember, which is very vague, but that is the degree to which I borrowed any money from Koch. There was never any question that I never borrowed \$40,000 or any other sum from him in the beginning (905) of that year.

Q. During what period did you make these payments to Mr. Koch? A. Which payments are you referring to?

*Daniel B. Grossman—for the Government—Redirect*

Q. I am talking about all the payments that you testified to about yesterday, the \$7500 a year, plus any additional payments you made based on the formula that you told us about yesterday? When did the first payments begin? A. I believe they began in or around 1964.

Q. When did they conclude? A. On Mr. Koch's death, which I learned yesterday was at the end of March of 1970.

Q. So you paid him roughly for about a six-year period? Is that correct? A. Approximately.

Q. How many times a year did you pay him? A. I paid him the \$7500 in the beginning of every year, which would be around January or February, and I paid him the monthly amount of 5 per cent—well, the first year, the first year that Koch made this deal with us he collected the 5 per cent from the contractors who he had brought in to work for us. The contractors that he brought in to work for us worked inferior to people (906) we had ourselves. I believe they sort of took a certain amount of license in the fact that they knew we were beholden to Koch in that they didn't knock themselves out to live up to certain standards.

So I believe at the end of the first year we told Koch that rather than—and he pressed us to continue to give these people work—rather than have these people pay him 5 per cent, that we would choose the contractors and pay him the 5 per cent on non-union labor or on contracting that we did ourselves.

Q. Now, you have told us that those payments were not in the main payments for loans and vigorish? Tell us what they were for? A. The payments were in order to enable us to continue to contract and not to have problems with union investigations.

Q. During this period of '64 to '70 will you tell us what your contact with the union was as regards the issue of contracting? A. From '64 to '70 I had very little contact with the union regarding the issue of contracting. There were a number of complaints mentioned yesterday. I don't

*Daniel B. Grossman—for the Government—Redirect*

remember many of them. I do remember once that we paid a \$150 fine on. Aside from that, there were very few, (907) very little I remember about my complaints that ever materialized.

Q. Do you remember Mr. Rooney asking you whether your firm was charged in that complaint for contracting in '65? Do you remember him asking you about that? A. May I ask a question?

Q. Well, you are not allowed to, but may I ask you this: Do you remember Mr. Rooney asking you about your firm being charged on numerous occasions during 1964 to 1970 for complaints of 'contracting'? A. Yes.

Q. I want to ask you whether you can recall with the exception of the one time your firm was fined \$150, whether the union ever saw fit to prosecute any of those complaints for contracting during that year? A. I don't recall at any time that the union saw fit to prosecute any of those.

Q. Do you remember Mr. Rooney asked you about payments of money to Mr. Koster? A. I remember he asked me about payment of money to Mr. Koster. I don't remember the exact text of it.

Q. Well, did you in fact make a payment to Mr. Koster? (908) A. Yes, I did.

Q. Approximately when was that? A. In the beginning of '70, either January or February of '70, to the best of my recollection, Harry Koch was sick and I believe he was in Florida and he called us, or else we called him, and he told us to give Dave Koster \$7500 that we ordinarily gave him in the beginning of each year and that he will take care of whatever had to be taken care of.

Q. Do you know whether Mr. Koster knows Mr. Stofsky? A. Yes.

Q. Does he? A. Yes.

Q. Do you know whether Mr. Koch knew Mr. Stofsky? A. Mr. Koch often told me he knew Mr. Stofsky. Since Mr. Stofsky was at his funeral I presume that he knew him.

\* \* \* \* \*

*William Poulos—for the Government—Direct*

(909) \* \* \*

Q. Just answer this yes or no: Do you have any information which indicates to you whether Mr. Koch knew Mr. Gold or not? A. Yes.

Q. Now, just without telling us what was said, what was the source of this information? A. Mr. Koch.

(911)

WILLIAM POULOS, called as a witness by the Government, being first duly sworn, testified as follows:

Direct Examination by Mr. Sabetta:

\* \* \* \* \*

Q. How are you presently employed? A. I am employed by Dan Grossman; right now it is A. C. Bank, Incorporated, Copenhagen.

Q. What are your duties with that firm? A. I am a foreman of production.

\* \* \* \* \*

(912) \* \* \*

Q. Prior to that time, that is, prior to June of '72, what kind of work did you do? A. I had my own place of business and I did mostly contracting.

\* \* \* \* \*

(914)

Q. How long did you work as a contractor for Mr. Grossman? A. Roughly about 16 years, maybe 17. I don't remember exactly.

Q. Again, addressing yourself now to 1970 and 1971, approximately what dollar volume of business did you perform for Mr. Grossman? His firm. A. In 1970-71?

Q. Yes. A. That is labor?

Q. Yes. A. Anywhere between the neighborhood of 115 to 125,000 dollars.



*William Poulos—for the Government—Direct*

Q. Per year? A. Per year, yes.

Q. Did you buy the skins that you later used to make garments for Mr. Grossman's firm? A. No.

Q. How did you receive those skins? A. Most of the time they were delivered by Mr. Grossman's employees to myself. Once in a while maybe I would go out and meet him some place and I would pick them up.

Q. During the period 1970 and 1971 approximately (915) how many times a week did some employee of the Grossman firm visit your shop for any reason? A. Well, it depends on the time of the year. If they were busy or they had rush orders to get out I would say maybe four or five times a week they would visit my place; in the slow season, maybe two or three times a week.

Q. What percentage of your total business in 1970 and '71 was made up of work you did for Dan Grossman and his firms? A. What percentage of his contracting?

Q. Your business, yes. A. Oh, my business? I would say about 70, 75 per cent.

Q. Did you work for other union manufacturers as well? A. Yes.

Q. But Mr. Grossman constituted 75 per cent or so of your business during each of those years? A. Right.

Q. You were paid by his firm? Is that correct? A. Correct.

Q. In what form? A. By check. I would bill him. At the end of (916) the month we would figure the total garments that I made for him, and so much per garment, and whatever it would add up to, then I billed him that I sold him garments, but my accountant reported them as labor, because it was actually labor.

Q. In other words, you performed labor for Mr. Grossman? That is all? A. Right.

Q. And you billed him and on the face of the bill it looked as if you had sold him garments? A. Right.

*William Poulos—for the Government—Direct*

Q. Which would have meant that the skins used had been yours or you had purchased them? A. Right.

Q. Did the skins you received from Mr. Grossman's firm bear any identifying items of any kind? A. Well, the ones that he gave out to the dressers himself would bear his seal.

Q. Where is that seal affixed to the skin? A. At the snout of the head.

Q. Mr. Poulos, I ask you to take a look at Government's Exhibit 43 and tell us whether you can identify that. A. Yes, that is Mr. Grossman's seal.

(917)

Q. I want to direct your attention to the period of 1965 to 1972, at the time you joined the Dan Grossman firm that you are now connected with, and I ask you whether during that period any official of the union, the Furriers Joint Council ever visited your shop? A. Yes, they did.

Q. On how many occasions would you say that occurred each year? A. Anywhere between two and four times a year.

Q. Do you know Mr. Al Gold? A. Yes, I do.

Q. Do you see him here in the courtroom? A. Yes, he's sitting back there.

Mr. Abramowitz: Identification conceded.

Q. Did he ever visit your shop? A. Yes, he did.

Q. Did he visit your shop on more than one occasion? A. Yes.

Q. Do you know on approximately how many such occasions? A. Two or three times a year. I don't remember exactly, but it might have been more, it might have been less.

Q. On the average of two or three times a year? (918)  
A. Right.

Q. I am talking now about the period of '65 to '72 when you joined the Dan Grossman firm? A. Right.

Q. On those occasions when Mr. Gold visited your

*William Poulos—for the Government—Direct*

shop can you tell us generally what he did? A. Well, he asked permission to walk into the factory because I had a small showroom there, an office like, and I allowed him every time they came in, I allowed him, because I didn't want any trouble or anything like that. So they would look around how the skins were cut, who worked for my shop, how many people, and a couple of times he walked over with a man who was opening the skins up and they were looking at the seals at the heads.

Q. Do you know if that occurred on more than one occasion? A. Yes.

Q. Do you know whether you had in your shop at that time skins bearing the labels or bearing the seals of Mr. Grossman's firm? A. Oh, yes, most of the times I had.

Mr. Abramowitz: Which time? When Mr. Gold was there?

Mr. Sabetta: Yes.

(919)

A. Yes.

Q. Did Mr. Gold ever ask you about those seals? A. No, he never did.

Q. Do you know Mr. George Stofsky? A. I have seen him a couple of times, yes.

Q. Do you see him in this courtroom? A. Yes, I do, right behind you.

Q. Will you identify what he is wearing? A. A brown jacket, a brown tie, gray hair.

Mr. Sabetta: May the record reflect the identification of the defendant Stofsky?

The Court: Yes.

Q. Did he ever visit your shop? A. Many, many years ago. I don't remember exactly when. Once or twice. I don't remember the times, though.

*William Poulos—for the Government—Cross*

Q. Not as frequently as Mr. Gold? A. No.

Q. Did there come a time, Mr. Poulos, when you had a discussion with Mr. Grossman about joining Dan Grossman? A. Yes.

Q. Do you recall when that was approximately? A. The early part of '72.

\* \* \* \*

(922) \* \* \*

Q. In addition to your joining Mr. Grossman's shop, did anyone else connected with your shop join Mr. Grossman's shop? A. My whole crew, plus two other people I took in from a cousin of mine because he was leaving the business; he went to Greece.

Q. How many people did that amount to altogether? A. I think it was eleven.

\* \* \* \*

(923) \* \* \*

Q. When you and the other members of your shop joined Mr. Grossman's shop, did those other members, in fact, become members of the Furriers Joint Council? A. Yes, they did.

\* \* \* \*

(935) \* \* \*

Cross-examination by Mr. Abramowitz:

Q. Mr. Poulos, my name is Abramowitz: I just have a few questions for you. If you don't understand any of my questions, please say so and I will rephrase them. Mr. Poulos, you testified on direct examination concerning Government's Exhibit 43 in evidence. Do you remember that? A. Yes, I do.

Q. You said that that was a seal or a metal sticker that was put on the skins that Mr. Grossman sent to you for finishing; is that correct? A. Right.



*William Poulos—for the Government—Cross*

Q. What is noted on the label? Can you read it?  
A. DHG.

Q. DSG? A. DHG.

Q. You understood that to be Mr. Grossman; is that (936) correct? A. Yes.

Q. Did you know in 1970 and '71 how many different corporations Mr. Grossman had in the fur business? A. I have no idea.

Q. Do you know that there were more than one? A. '70 and '71? I think when he sold out the business he formed a different corporation that was DBG.

Q. When he sold out the business to Richton, is that what you are referring to? A. Yes.

Q. How about prior to the time that he sold out the business to Richton, do you know how many corporations, let's say from the period 1967 to 1971, that Mr. Grossman had in the fur business? A. Well, originally it was Harry and Dan Grossman and then as far as I know it was just Dan Grossman, Inc.

Q. Do you know whether either of those two corporations were operating at the same time? A. He didn't confide in me his books, the running of his books.

Q. I didn't hear that. A. He didn't confide in me. I didn't see his books to see how he was running the business. (937)

Q. Your answer is you don't know? A. I don't know. I don't know how many corporations he had.

Q. Now, you testified on direct examination, Mr. Poulos, that early in 1972 Mr. Grossman approached you and asked you to join his firm. Do you remember that? A. Right.

Q. What did you say were the reasons that Mr. Grossman asked you and your workers to join his firm? A. Well, he said that he wanted to organize a union shop—a more union shop and I asked him what were the reasons. He said he can't go into the details to tell me what the

*William Poulos—for the Government—Cross*

reasons are, but eventually all the industry will be taken over by big corporations and I want to set myself up with a big corporation—a big producing corporation.

Q. Did he tell you whether the union had at that point insisted that he take more workers? A. No. He did not.

Q. He didn't tell you that. Do you know whether the union at that point, in early 1972, was insisting that Mr. Grossman take on more workers? A. I don't know. He didn't say anything to that fact to me.

(938)

Q. You also testified, did you not, that you did join his firm, you and your workers, on June 10, 1972; is that correct? A. Yes.

Q. About how long prior to June 10, 1972, did Mr. Grossman approach you with this question of joining his firm? A. I think roughly it was a couple of months before. Two to three months before that.

Q. It was finally accomplished in June, 1972; is that correct? A. Right. He was rushed about it, as a matter of fact. He told me that I would have to set up the shop before June or something like that. I didn't ask him why, though.

Q. Excuse me, I didn't hear you. A. I didn't ask him why he was rushed.

Q. But he was rushed and you joined in June of 1972? A. Right.

Q. How many workers were added to the Grossman shop at that time? A. I think I brought up 11 plus another finisher which was unionized that worked in another shop, a head finisher.

(941) \* \* \*

Q. Now, you testified on direct examination, Mr. Poulos, that the bills involved in the contracting that you did for Mr. Grossman—from I think 1970 and 1971 was the question—stated that they were for garments and not for labor; is that correct? A. Yes.

*William Poulos—for the Government—Cross*

Q. Did you ever have any other kind of bills in which Mr. Grossman received some cash from you during that period, '70-'71? A. Not to my knowledge, I don't remember. It might have been. I don't remember exactly. It's going way back.

Q. No, I am asking in 1971. A. Well, it's three or four years ago. There is a possibility, I think. I'm not sure. I will have to check with my accountant on that.

(942)

Q. Excuse me? A. I will have to check with my accountant to look at my books.

Q. How would your accountant help you refresh your recollection on that? A. Well, because I have my labor figures per month, how many bills I issued him and that would show, more or less, whether I gave him any cash or not.

Q. Did you ever give him a completely phony bill or did he ever give you a completely phony bill and did you ever give him any cash in exchange for that? A. He never gave me any phony bills, no. He never did.

Q. Did you prepare any phony bills in 1971? A. As far as I know I used to do strictly labor, but I don't know 100 per cent. I think in '71—way back, I think it was a couple of thousand dollars or thereof. I'm not sure, though.

Q. Way back prior to 1971? A. In '71.

Q. Could it be as high as—— A. I think it was '71. I'm not sure.

Q. Could it be as high as \$12,000? A. I don't think so.  
(943)

Q. What's your best estimate? A. I think a couple of thousand dollars, I think.

Q. Its \$2,000? When you say a couple of thousand, what do you mean? A. Within the range of \$2,000. I think. I'm not even sure.

Q. Would that be on more than one occasion or just one occasion? A. I think it was one occasion.

*William Poulos—for the Government—Cross*

Q. On this one occasion that you may recall, you had a conversation. Without telling me what the conversation is, you had a conversation with Mr. Grossman prior to the preparation of the false bill; is that correct? A. No. He called me up—

Q. Don't tell me the conversation. Did you speak to Mr. Grossman prior to the time that you prepared that false bill? A. He called me up. I think he needed a couple of thousand dollars.

Q. Yes. A. Some cash. I said "I don't know. I don't have that much cash."

\* \* \* \* \*

(944) \* \* \*

Q. Was that the first time that Mr. Grossman approached you with reference to getting some cash from you? A. The first time.

Q. The first time, the one that you are testifying about now, is that the first time Mr. Grossman ever asked you for some cash? A. Yes. Now that I recall it, it was. I don't remember the exact—I think it was because I never had that much cash around but I told him I will scrounge around to see (945) if I can help you out. He said he needs a couple of thousand dollars.

Q. You are absolutely sure that that's the first time he asked you to do that for him? A. As far as my recollection goes.

Q. What did you do after you spoke to Mr. Grossman? A. Then I said "I will let you know if I can pick up a couple of thousand dollars."

Q. Then what happened? A. Then I think I borrowed from my wife. She was saving a couple of thousand dollars and it took—I took it from my wife and I think I gave it to him. Now that I am thinking—I think it was about \$22, \$23 hundred. I think it was something like that.

Q. Not any higher than that? A. Not to my knowledge, no.



*Harold Cammer—for the Government—Direct*

Q. And only on that one occasion? A. I beg your pardon?

Q. And only on that one occasion; is that correct? A. As far as I remember, yes.

Q. And the bill that you prepared, what did that bill look like? A. I have to look in my books. I can't state offhand.

Q. Was it a bill for garments or a bill for labor (946) or what? A. I think it was for labor. I'm not sure.

Q. For labor? A. I think.

Q. But it was completely made up, is that correct, by you? A. Yes.

Q. And you testified that you borrowed the \$2,300 from your wife to give Mr. Grossman? A. To the best of my recollection, yes.

Q. How long after that did Mr. Grossman pay you back or did he pay you back? A. He gave me the check right away.

Q. He gave you the check?

\* \* \* \*

HAROLD CAMMER, called as a witness, having been duly sworn, testified as follows:

Direct Examination by Mr. Sabetta:

(950) \* \* \*

Q. Mr. Cammer, you are an attorney, are you not? A. Yes, sir.

\* \* \* \*

(951) \* \* \*

Q. Do you do any work for the Furriers Joint Council of New York? A. Yes.

Q. Are you in fact their general counsel? A. Yes. My partner and I.

\* \* \* \*

Q. Do you know Mr. Al Gold? A. Yes.

Q. Do you see him here in court? A. I do.

(952) \* \* \*

Q. Mr. Abramowitz acknowledges that you know Mr. Gold. I want to direct your attention, Mr. Cammer, to

*Harold Cammer—for the Government—Direct*

the period of the spring of 1972 and I ask whether you ever had a conversation with Mr. Gold at or about that time involving Jack Glasser. A. I did.

\* \* \* \* \*

(958) \* \* \*

Q. I asked you further if you could identify the time when this took place as best you can, the circumstances of the conversation, and what was said by you and what was said by Mr. Gold? A. The conversation took place some time in the spring of 1972. I cannot fix the time, except by reference to the fact that it bore on a subpoena which had been served upon Mr. Glasser. This would have been with in a day or day, possibly three, before the return date of that subpoena. Whatever it was I do not know.

Q. Was this conversation person-to-person or by some other means? A. This was a telephone conversation.

(959)

Q. Where were you when you received it? A. I was at home.

Q. Where is that? A. 1025 Fifth Avenue in Manhattan, and I had just arrived home, probably about seven o'clock, when I received the telephone call from Mr. Gold. Now, shall I proceed?

Q. Please tell us what you said and he said? A. I don't remember what he said and I said. I can only give you the substance of the conversation as best I recall it. In substance he said that he had been contacted that day or that afternoon either by Mr. Glasser or by Mr. Glasser's son, that a subpoena had just been served upon Mr. Glasser returnable before a grand jury, that Mr. Glasser had had a heart attack and was either very sick or was in the hospital, I do not remember, and that either he or his son wanted to be directed to a lawyer who could represent them in getting a postponement of the subpoena.

In substance, that is what he said. What I said was that there was an attorney in my office who was a subtenant of mine, whom I very highly regarded, and they

*Mr. Cammer—Cross*

*Harold Cammer—for the Government—Cross*  
ought to try Mr. Hammer and determine whether he would represent them.

(960)

Q. Now, is this Mr. Arthur Hammer? A. Yes, it is.

Q. He is a sub-tenant at your business offices? Is that correct? A. That is correct. We have no connection whatsoever, except that he sublets space from my firm.

Q. Is that in substance the totality of the conversation you had? A. Well, he asked me for Mr. Hammer's telephone number, which I gave to him. I carry it. And that was the conversation.

Q. Did you yourself ever speak to Mr. Hammer about this? A. I did.

Q. Was it on that same evening or some other time? A. No.

Q. When was the first time you spoke to Mr. Hammer? A. I spoke to Mr. Hammer after he had been contacted either by Mr. Glasser's son and after he had gone down to see the United States Attorney to get an adjournment, which he obtained.

\* \* \* \* \*

(961)

Cross-examination by Mr. Abramowitz:

Q. Mr. Cammer, to your knowledge did the Furriers Joint Council pay Mr. Hammer's bill in connection with the services he may have performed for Mr. Glasser? A. I don't think so. I am sure it didn't.

\* \* \* \* \*

(964) \* \* \*

JACK GLASSER, recalled.

Redirect Examination by Mr. Sabetta:

Q. Mr. Glasser, in your earlier direct testimony I asked you certain questions concerning the firm Chateau Creations; do you recall that? A. Yes, I do.

\* \* \* \* \*

*Jack Glasser—for the Government—Redirect*

(965) \* \* \*

Q. Did you receive any moneys from Mr. Hessel—Harry Hessel in 1969? A. I did.

Q. On how many occasions? Four occasions.

Q. How much on each of those occasions? A. \$500.

Q. Beginning with the first, tell us what you did with the moneys, if anything. A. The first payment was made around approximately April 15th and it was shared with Mr. Gold, Mr. Hoff and Mr. Lageoles and myself.

Q. You said it was shared with them. What do you mean specifically? Tell us what you did with the cash. A. I gave each one of them \$125.

Q. When was the second payment you received from Mr. Hessel? A. Oh, around July. I cannot be specific. Around July.

Q. Of '69? A. Of '69.

Q. What did you do with those moneys? (966) A. The same thing. I gave Mr. Hoff, Mr. Gold, Mr. Lageoles \$125.

Q. On the third such payment, when was that and what did you do? A. Around October in 1969.

Q. What did you do with those moneys? A. The same thing. I gave Mr. Hoff, Mr. Gold and Mr. Lageoles \$125.

Q. Now, on the fourth occasion, when was it and what did you do with the moneys? A. That was at the end of the year. It was at the end of December. It was around Christmas time. The same thing. I gave Mr. Hoff, Mr. Gold and Mr. Lageoles \$125 each.

Q. Do you recall the specific places on each of those many occasions where you handed the moneys to each of those defendants? A. No. I could not be—I couldn't recall that.

Q. Do you recall the order on each of these four occasions on which you disposed of the money to each of these four defendants? A. There never was any order. Whoever I saw first, that's how it was done.

\* \* \* \* \*



*Jack Glasser—for the Government—Cross*

(967) \* \* \*

Cross-examination by Mr. Abramowitz:

Q. Mr. Glasser, I show you what's been marked Government's Exhibit S for identification and I ask you whether you can identify the document. I will make it simpler. Go past the pink page, underneath the pink page. A. Yes.

Q. What do you identify that document as? A. My 1970 income tax return.

Q. Your signature appears on that document? A. Yes, it does.

Q. And that of your wife; is that correct? A. That is correct.

Q. Try to keep your voice up, Mr. Glasser. The same question with respect to Defendants' Exhibit T for identification. (968) A. That's my 1971 income tax.

Q. Your signature appears on that document? A. Yes, sir.

Q. And that of your wife's? A. Yes, sir.

Q. These are the original tax returns; is that correct? A. I believe so.

Q. Take a look at them.

The Court: They are your returns, are they not?

The Witness: Yes, sir.

Q. Did you look at both of them? A. Yes. They are both my returns.

Q. Do you remember you testified a few days ago, Mr. Glasser, that you no longer retained copies of these tax returns; do you remember that? A. That's correct, sir.

Q. Do you remember testifying about your 1972 tax return when you were here a few days ago? A. Do I remember?

Q. Testifying about your 1972 tax return. A. I just cannot recall. If you refresh my memory—

*Jack Glasser—for the Government—Cross*

Q. You don't recall me asking you some questions about your 1972 tax return? It was two days ago, three days (969) ago. A. I don't recall it.

Q. You don't recall it? A. No, I don't.

Q. I show you Defendants' Exhibit H in evidence and I ask you whether that's your 1972 tax return. A. Yes, sir, it is.

Q. Do you remember I asked you certain questions about your interest income in 1972? A. Yes. Now I recall.

Q. Now you recall? A. Yes, I do.

Q. Do you remember that I pointed out your interest income figure on line 13 as \$6,151 in 1972? A. Yes.

Q. Do you remember how much cash you had in savings banks which represent that interest payment? A. In 1972?

Q. '72. A. Well, I know what I have now.

Q. Do you remember testifying about how much cash you had in the bank in 1972? A. I don't recall.

Q. You don't recall? (970) A. No.

Q. Do you recall that you said that you had approximately \$120 [sic] in savings bank in 1972? A. I have it now, yes.

Q. Did you have it in 1972? A. Yes, I did.

Q. You now recall? A. Yes.

Q. I believe you testified it came from your wife's inheritance; is that correct? A. Most of it did.

Q. Most of it did? A. Yes.

Q. I show you line 14 of Defendants' Exhibit S for identification and ask you how much interest income you reported in 1970. A. In 1970?

Q. Yes. A. \$2,682.45.

Q. How much cash did you have in the Savings bank in 1970? A. The same as I had in 1971.

Q. Would that be about \$130,000 in 1971? A. Approximately.  
(971)

*Jack Glasser—for the Government—Cross*

Q. Or 1972? A. Approximately.

Q. The same amount, 130? A. Approximately that.

Q. How much interest, do you know, was earned on \$130,000 in the savings banks in 1970 on \$130,000? A. How much interest was earned? Whatever interest I paid.

Q. How much is that? A. Whatever the tax returns say.

Q. \$2,000? A. Whatever it says.

\* \* \* \* \*

(973)

Q. Looking at Defendants' Exhibit S for identification, comparing the reported interest on line 13 in your '72 return and comparing it with the interest on line 14 of your '70 return, is it still your testimony that you still had the same amount in cash in both years? A. Yes, it is.

Q. In 1970 you reported interest of \$2682.45, and in '72 you reported interest of 6151? Is that correct? A. Yes, sir.

Mr. Abramowitz: I offer Defendant's Exhibit S and T in evidence.

Mr. Sabetta: No objection.

(Defendants' Exhibits S and T were received in evidence.)

Q. Do you know in '70 how much interest your banks were paying on the \$130,000? A. How much they were paying.

Q. How much interest all your banks, savings banks, were paying on \$130,000? A. About 5 per cent.

Q. Do you know what 5 per cent of \$130,000 is? A. I certainly do.

Q. What is it? A. It would be about six or seven thousand dollars.

(974)

Q. Not \$2,682.45? A. That is correct.

*Jack Glasser—for the Government—Cross*

Q. Looking at Defendants' Exhibit T in evidence, I ask you to look at the bottom and ask you to look at the date you filed that return? A. That was filed on 4/14/72.

Q. April 14, 1972? A. Yes, sir.

Q. At the time you filed Defendants' Exhibit T in evidence had you already been down to see Mr. Hinckley? A. 4/14/72.

Q. April 14, 1972 had you already been down to see Mr. Hinckley? A. It's possible that I was.

Q. Didn't you testify the other day that you were down to see Mr. Hinckley on April 4, 1972? You received a subpoena dated April 4, 1972? A. If that is the date that I got the subpoena, that is the date I was down there.

Q. Then you filed your return on April 14, 1972? A. That is correct.

Q. Please look at line 14 for interest income? A. The interest is \$8,053.

Q. Was there any increase in the amount of cash in (975) the savings banks from '70 to '72. A. Very little.

Q. Very little, but there is an increase in the amount of interest you're reporting on your income tax return between Defendants' Exhibit T and Defendants' Exhibit S? Is that correct? A. That is correct.

Q. Now, Mr. Glasser, you testified that you threw out your tax returns, is that correct, your copies of tax returns? A. When we moved, yes.

Q. Do you remember that I asked you a few days ago, Mr. Glasser, whether you had any conversation with any of the detectives or any Assistant United States Attorney or any official of the prosecution about the Internal Revenue Service and any problem that you may have had with the Internal Revenue Service? A. You asked that question.

Q. Do you remember having any such conversation? A. No, sir.

Q. I show you Government's Exhibit 3507 for identifi-



*Jack Glasser—for the Government—Redirect*

cation. I refer you to the last paragraph of that exhibit which is blocked out in red and ask you to read it and ask you whether it refreshes your recollection (976), that in fact, you were asked questions about problems with the Internal Revenue Service when you met with Detective Civitano? A. I stated that I didn't have any.

Q. Didn't have any what? A. Questions or problems or any other requests from the Internal Revenue.

Q. You stated to whom? To Mr. Civitano? A. To Detective Civitano.

Q. Did he ask you whether you had any problems with the Internal Revenue Service? A. He must have. It says so here.

Q. Does it refresh your recollection that you did have a conversation with Detective Civitano about the Internal Revenue Service? A. Yes, it does.

Mr. Abramowitz: Thank you. No further questions.

\* \* \* \* \*

## Redirect Examination by Mr. Sabetta:

Q. Mr. Glasser, these various accounts that you had that you have been testifying about in savings banks, with (977) respect specifically to 1970 and 1971, were the moneys that you had in those accounts kept frozen in those accounts by you and your wife for the period 1970? A. They were left in the accounts for the period of 1970.

Q. Did you ever move moneys out of one account into other forms of saving vehicles? A. Yes, we did.

Q. Now, directing your attention to 1970, tell us what you did in that regard, if you recall? A. Well, after I stopped working, we were looking, we had to have income to live, and instead of having a straight savings account paying 5 per cent interest, we then bought certificates of deposit, or what you call long-term savings accounts, where

*Jack Glasser—for the Government—Redirect*

you get  $6\frac{3}{4}$ , 7,  $7\frac{1}{4}$  per cent, depending on the length of time that you had the certificates.

Q. And what period of time did these certificates run for? A. A year, six months, three months, a year, and the interest would build up and build up daily interest compounded, and at the time that this certificate would become due you would get your interest.

Q. Now, in '70 did you ever remove moneys from your (978) commonplace savings accounts and put them in these other vehicles? A. We did.

Q. Did the interest in some of those certificates come due in '71? A. They did.

Q. Did you ever buy certificates, say, in the latter part of '70 which came due and bore interest in '71? A. We certainly did, sir.

Mr. Sabetta: May we have this marked 51 for identification. (Government's Exhibit 51 was marked for identification.)

Q. Mr. Glasser, I want you to take a look at this, and ignoring the top pink sheet, see if you can identify what the underlying document is? A. Yes, this is my 1967 tax return.

Q. Is your signature on that document? A. Yes, sir.

Q. Can you tell the Court and the jury what interest you reported for the year 1967? A. \$5,142.02.

Q. This was in '67? A. That is correct, sir.  
(979)

Q. Were those moneys kept in some of the same accounts that you later had in 1970 and 1971? A. No, they were kept in different accounts.

Q. Where were they kept? A. They were kept at the Greenwich Savings Bank and at the Emigrant Savings Bank.

\* \* \* \* \*

*Jack Glasser—for the Government—Recross*  
*Harry Jaffee—for the Government—Direct*

Recross-examination by Mr. Abramowitz:

Q. Mr. Glasser, is it your testimony in '70 you removed some of your money and put them in certificates of deposit? A. At a higher interest rate.

Q. Did you get any notification from the bank that a certificate of deposit earned 7 or 6¾ per cent? A. No, we got it the following year.

Q. You didn't get a report of what it earned in 1970? (980) A. Mr. Abramowitz, if we put the certificate of deposit November 1st, we didn't get it until the following year.

Q. You are sure about that? A. Positive.

Q. You are sure that the banks don't send out at the end of the year how much interest was earned from November to December on that money? A. Not that I know of, not on certificates of deposit.

Q. Do you have your records of the certificates of deposit, Mr. Glasser? A. No.

Q. No? A. No.

Q. You threw them out? A. I have not got it.

\* \* \* \* \*

(982)

HARRY JAFFEE, called as a witness by the Government, being first duly sworn, testified as follows:

Direct examination by Mr. Sabetta:

Q. Mr. Jaffee, you are appearing here pursuant to a subpoena, are you not? A. Right.

Q. You have also been granted immunity by a District Court Judge of this Court? A. Correct, sir.

\* \* \* \* \*

(983) \* \* \*

Q. Are you retired? A. Yes, sir.

*Harry Jaffee—for the Government—Direct*

Q. How long have you been retired? A. I am retired now since November of 1971.

Q. Before your retirement what kind of work did you do? A. I was a business agent for the furriers union.

Q. When you say the furriers union, you mean the Furriers Joint Council of New York? A. Yes.

Q. How long had you been a business agent? A. A total of about 21 years, more or less.

\* \* \* \* \*

Q. Now, did you in this capacity have occasion to meet a Mr. Jack Glasser? A. I did, sir.

Q. Who is he? A. He was a representative of the Manufacturers Association.

(984)

Q. When did you first meet him approximately? Can you say? A. Well, I can't recall exactly, but I would say maybe 10 or 12 years prior.

Q. So you had known him for at least a decade or so? A. Yes, sir.

Q. Now, Mr. Jaffe, in or about 1968 or '69 did your district include a firm called Schwartzbaum Furs? A. It did.

Q. Did you know the owner of that firm? A. Yes, sir.

Q. Mr. Karl Schwartzbaum? Or Mr. Jack Schwartzbaum? A. Jack Schwartzbaum.

Q. Do you know whether Mr. Glasser also had responsibility from the Trade Association's point of view for that firm during that period? A. Yes, sir.

Q. Did there ever come a time when Mr. Glasser gave you any money in connection with the firm of Schwartzbaum Furs? A. At what time are you referring to?

Q. I am focusing about the period '68-69. A. Well, I'm not too sure about the years, but as (985) best I can recollect, it was somewhere in that year, possibly a year earlier, maybe '67—I'm not too sure.



*Harry Jaffee—for the Government—Direct*

Q. You retired in '71? A. That is right.

Q. Did there come a time when at the Schwartzbaum firm you were replaced by another business agent? A. Yes.

Q. Did Mr. Ziebel take over for you? A. Yes.

Mr. Abramowitz: When was that?

Q. Do you recall approximately when that took place?  
A. I don't recall too clearly.

Q. Do you know how long before your retirement that might have been? Would it have been possibly a year or two years? A. Possibly a couple of years. I don't recall.

Q. Now, in or about this period of '68 or '69 you say you received money from Mr. Glasser, how much did you receive? A. Well, as best I can recollect, there were a few occasions, maybe five, maybe four, maybe one or two more, I don't remember. And did you also ask me how much I received?

Q. I am asking you now with respect to the (986) Schwartzbaum firm that we are talking about how much you received on this occasion in '68 or '69? A. My recollection is about \$50 on these occasions. Now, I could be wrong. It's not very clear in my mind.

Q. It could be less or more? A. It could be more than \$50.

Q. It could have been more than \$50? A. Yes.

Q. Now, on this occasion in '68 or '69 when you got money from Mr. Glasser do you remember where it was that you received the moneys? A. Possibly in the street. I don't remember too clearly.

Q. At that time what did Mr. Glasser say to you and what did you say to him?

Mr. Abramowitz: At which time?

Mr. Sabetta: When he was handed \$50 or it could be more in connection with Schwartzbaum Furs.

*Harry Jaffee—for the Government—Direct*

Q. At the time you were referring to, which you are having difficulty fixing as to year, you think it might have been '68 or '69, and with regard to the Schwartzbaum firm, you say you received \$50 or approximately more from Mr. Glasser, and you think it took place on the street.

I am asking you now to tell the Court and jury (987) what Mr. Glasser said to you on that occasion, what you said to him in substance? A. Well, as best as I can recollect the conversation, he said to me, Mr. Glasser, he says, "Once in a while you get a chance to make a few extra dollars in the shop of Schwartzbaum; there is nothing going on; there is nothing going on; nothing is happening; it is nothing; you might as well take it; there is nothing you can do about it," words to that effect, and that was about the substance of the conversation.

Q. What did you say to him? A. Well, at that point I told him I want to think about it, and when a short time went by and then he finally made another attempt to give me the money, I took it.

Q. What were you to give in return for this money, if anything? What were you to do or not do? A. Well, I was supposed to look way, so to speak.

Q. From what? A. Conditions in the shop.

Q. What kind of conditions? A. What was going on there. He indicated there was contracting taking place.

Q. I want you to address yourself to the firm of Chateau Creations. Are you familiar with that firm? Do you know that firm? A. Yes.

(988)

Q. Were they ever in your district? A. They were.

Q. Do you know the owner of that firm or the owner—or the individual who was the owner back in the middle or late '60s? A. Yes.

Q. Who is that? A. If I remember correctly, his name was Hessel.

Q. Did you ever receive any moneys from Mr. Glasser

*Harry Jaffee—for the Government—Direct*

in connection with that firm? A. Yes. I think there was an occasion, as best I remember. There was an occasion that this took place.

Q. Can you fix for us, as best you can, the time when this took place? A. The time is very difficult for me, sir. It might have been around '67, maybe a year before. It was something like that. It may be a year later, I don't know.

Q. It could have been '68? A. It's very possible. I am not too clear on these dates.

Q. At this time with respect to Chateau, can you tell us whether money was given to you from Mr. Glasser? A. I would think in the street.

Q. Do you recall what was said by Mr. Glasser (989) on that occasion and what was said by you, in substance? A. I don't recall what his conversation was. I just don't recall that.

Q. Well, did you in fact receive moneys from him for Chateau Furs? A. Yes.

Q. How much was it on that occasion? A. There again I think it was about \$50. I could be wrong.

Q. What were you to provide in return, if anything? A. Well, if I remember correctly there was some kind of a problem in the shop there.

Q. Could you be more specific about what problem it was? A. It might have been—I am not too sure about this because it's quite some years. It might have been something about contracting, giving out work, or maybe some other thing related to the shop. I really don't recall.

Q. You are not sure at this time what the reason was? A. No.

Q. Again, what were you to do about the conditions in the shop or not to do? A. Overlook them.

Q. Overlook them? (990) A. Overlook them.

Q. Approximately how many payments altogether is

*Harry Jaffee—for the Government—Cross*

your best recollection as to what you received from Mr. Glasser? A. Maybe eight, maybe six, maybe ten. I don't know.

Q. Can you identify any other firms other than the two you have already mentioned as firms which were in some way involved in these payments? A. Not at this point.

Q. The only two you can recall now are Schwartzbaum and Chateau? A. There was one firm, Baker Merchandising. I don't recall at this moment exactly what took place.

Q. You don't recall if you took money from that firm or not? A. I don't recall at this moment. There might have been one occasion. My memory is hazy on this thing. Possibly Mr. Baker gave me some money for Christmas.

Q. I am talking now only about moneys from Mr. Glasser to you. A. I don't recall very clearly this.

\* \* \* \*

(992) \* \* \*

Cross-examination by Mr. Abramowitz:

\* \* \* \*

Q. Now, Mr. Jaffee, do you know a man by the name of Ben Thylan? A. Do I know him?

Q. Yes. A. I do.

Q. You do? A. Yes.

Q. How do you know him? A. He was up in my district.

Q. What was he? Is he still alive, by the way, as far as you know? A. I beg your pardon?

Q. Is he still alive, as far as you know? A. I haven't seen him for some time. I don't know.

(993)

Q. What was he when you knew him? A. A retailer.

Q. A manufacturer or a retailer? A. He did some manufacturing, yes.

Q. Was he president of the Master Furriers Guild during the time that you knew him? A. Yes.

Q. Was he president of the Master Furriers Guild in



*Harry Jaffee—for the Government—Cross*

approximately 1970 or 1971; in that period? A. Very likely, yes.

Q. I didn't hear your answer. I'm sorry. A. Very likely.

Q. Could you tell the court and jury what the Master Furriers Guild is? A. That's an organization that has as its membership the retailers.

Q. It is a comparable organization to the Association of Fur Manufacturers but only for retailers; is that correct? A. That's correct, yes.

Q. Mr. Thylan was the president of that association, or that guild; is that correct? A. Yes.

Q. Was his shop in your district during any time that you were a business agent? (994) A. It was.

Q. Do you know a man by the name of Herman Paul? A. I did.

Q. How did you know him? A. He was the representative of that retailers association.

Q. He was the representative of the retailers association; is that correct? A. Right.

Q. Did there come a time when Mr. Paul retired from the Master Furriers Guild? A. Well, there came a time when he became very ill.

Q. About when is that, Mr. Jaffee? A. Somewhere around about 1970. I don't remember.

Q. The same time period that we are talking about, that you retired from the union? Around '70 or '71; is that fair to say? A. Somewhere around there.

Q. Did you apply for Mr. Paul's job with the Master Furriers Guild when you retired from the union or before you retired from the union? A. Well, sir, I didn't exactly apply for the job.

Q. Did you want the job? A. They wanted me. (995)

Q. They wanted you? A. Yes.

Q. Who told you that they wanted you?

*Harry Jaffee—for the Government—Cross*

Mr. Sabetta: I object to this, your Honor, as irrelevant.

Mr. Abramowitz: Your Honor, I can connect it. If you want to hear how, I will tell you at the side bar.

The Court: No, I will take it.

Mr. Abramowitz: Would you please repeat the question.

The Court: Who told you that the Guild wanted you?

A. Is that your question now, who told me?

Q. Yes. A. Mr. Thylan.

Q. Mr. Thylan? A. Yes.

Q. Did you get that job? A. And—excuse me, and Mr. Paul.

Q. Right. Did you get that job? A. No, sir.

\* \* \* \*

(998) \* \* \*

Q. Mr. Jaffee, did there come a time when you had a conversation with Mr. Stofsky or Mr. Hoff in 1970 or 1971 about the fact that there had been numerous complaints that you had taken money from manufacturers or retailers? A. Would you restate the question, please?

Mr. Abramowitz: Please read the question.

The Court: Read it back. (Question read.)

Q. While you were a business agent. I will amend it.  
A. No, sir.

Q. No? A. No, sir.

Q. Do you know whether Mr. Stofsky told Mr. Thylan not to give the job with the Master Furriers Guild because you had been taking money from manufacturers and retailers during the time you were a business agent? A. I (999) wouldn't know, sir.

Q. You don't know? A. No.

Q. Mr. Thylan never told you that?

*Harry Jaffee—for the Government—Redirect*

Mr. Sabetta: Objection to what Mr. Thylan told him.

The Court: Sustained.

Q. Do you know a man by the name of Abrams or did you know a man by the name of Abrams? A. What would be the first name?

Q. Nat. Nat Abrams. Nathan Abrams. A. I think so, yes.

Q. How do you know him? A. From the trade.

Q. What was he? A. A small shop employer.

Q. An employer? A. Yes.

Q. Is it not a fact that Mr. Stofsky told you that Mr. Abrams complained that he had been giving you money while you were a business agent of the union? A. No, sir.

Q. No? A. No.

(1000)

Q. And you did not get Mr. Herman Paul's job, did you, when you retired from the union? A. No, sir.

\* \* \* \* \*

Redirect Examination by Mr. Sabetta:

Q. Did you seek Mr. Paul's job? A. Well, for a time I did not. Later on I did seek it.

Q. How long after you had retired? A. No. Before I retired.

Q. During the period— A. In other words—may I explain?

Q. Sure. A. There was a time when Mr. Paul had an extended illness. It was at that time when he was urging me on to seek the job and I advised Herman Paul—Mr. Paul to stick with it, to stay with the thing as long as he possibly can because the man was in terrible pain and this would be the only thing that he would have to take his mind off the pain. At that point, almost to the very end, I did not seek the job and I urged him to stay on.

*Anthony Passaretti—for the Government—Direct*

Q. Is it your view that Mr. Stofsky or one of the (1001) other defendants precluded you from getting the job, to your knowledge? A. I wouldn't know. I wouldn't know that.

\* \* \* \* \*

ANTHONY PASSARETTI, called as a witness, having been duly sworn, testified as follows:

The Court: Proceed.

Direct Examination by Mr. Fryman:

Q. Mr. Passaretti, by whom are you employed? A. By the Internal Revenue Service.

Q. What is your position with the Internal Revenue Service? A. I am a revenue agent.

\* \* \* \* \*

(1003) \* \* \*

Q. With respect to the defendant George Stofsky, for which years have you examined his tax returns? A. In 1970 and 1971.

(1005) \* \* \*

Q. Do you have any independent knowledge about the matters involved in this trial, apart from your review of the transcripts and the exhibits that have been introduced? A. No, sir.

\* \* \* \* \*

(1006) \* \* \*

Q. Now, Mr. Passaretti, with regard to Mr. Stofsky and the calendar year 1970, did the testimony at the trial and the exhibits which have been introduced in evidence which you have reviewed indicate any payments of money to Mr. Stofsky during that year? A. Yes, it did.

Q. Did you examine Mr. Stofsky's tax return for 1970 to determine if he had reported those payments? A. I did.

Q. What did you do after you reviewed his return and



*Anthony Passaretti—for the Government—Direct*

you reviewed the evidence that has been introduced at this trial? A. Since I found that the evidence in the trial showed income, unreported income on the tax return I prepared a schedule reporting the items of income and (1007) deductions as reflected on the return filed and as it should have been per the Government's contention.

\* \* \* \* \*

(1018)

Q. Now, will you explain to the jury the assumptions which you made in preparing that exhibit and the calculations which you made on that exhibit? A. I started with the tax return, Government's Exhibit 44, the return filed by George and Florence Stofsky for the year 1970. I accepted without independent verification all the items of income and deduction reported on that return. I made no adjustments to those items with the exception of the income that I found reported in the testimony of this trial. For the year 1970, for the defendant Mr. Stofsky, I found additional income in the amount of \$6,000 which was not included on the return as filed.

\* \* \* \* \*

(1019) \* \* \*

Q. Now, staying with the year 1970, Mr. Passaretti, did you examine the evidence, that is the testimony and the exhibits introduced at this trial with respect to any payments to Mr. Gold in the year 1970? A. Yes, I did.

Q. What is the amount of actual payments to Mr. Gold that is suggested by the testimony for the year 1970? (1020)  
A. \$6,000.

Q. Did you allocate \$6,000 to Mr. Gold? A. Yes, sir.

Q. But the actual payments to Mr. Gold in that year were how much? A. \$12,000.

Q. For the purpose of your calculation—

*Anthony Passaretti—for the Government—Direct*

Mr. Abramowitz: According to the testimony, your Honor. Just add that.

The Court: According to the testimony.

Mr. Fryman: Right.

The Court: That is the government's contention.

The Witness: Yes.

Q. For the purposes of your calculations, how much did you assume of that \$12,000 was retained by Mr. Gold?

A. One-half, or \$6,000.

Mr. Abramowitz: I object to that, your Honor. I object to the allocation, that this witness allocated the money.

The Court: Without a foundation, I sustain the objection.

Q. Mr. Passaretti, for the purposes of your calculations, how much additional income did you attribute to Mr. Gold for the year 1970? (1021) A. \$6,000.

\* \* \* \* \*

(1023) \* \* \*

Q. Now, that schedule was prepared, you stated on the assumption that Mr. Gold retained \$6,000 of the \$12,000 that the testimony indicates was paid to him; is that correct? A. That's correct.

Q. Now, did you make any assumption in your calculations as to the disposition of the other \$6,000?

Mr. Abramowitz: I object to that.

The Court: Overruled. That is per our discussion.

A. My assumption was that the other \$6,000 was distributed to George Stofsky.

*Anthony Passaretti—for the Government—Direct*

Q. And the schedule for 1970 which you earlier described with regard to Mr. Stofsky was based on the assumption that he received six of this \$12,000? A. That's correct.

The Court: Just a minute. Going back to Mr. Abramowitz's objection, aside from any other objection you have, are you objecting on the basis of foundation?

Mr. Abramowitz: I am objecting on the basis of the assumption. He said he did it by reading the testimony and there is no testimony to that effect.

The Court: Well, now, the jury will disregard counsel's remark to that effect (1024). In any event, you made certain assumptions, Mr. Passaretti. You have indicated that you have been an agent for 30 years?

The Witness: Yes, sir.

The Court: And that you have reviewed some several thousand returns?

The Witness: I have.

The Court: On the basis of your experience, did you apply certain principles of the service in arriving at any assumptions here?

The Witness: Yes, sir, I have.

The Court: Why don't you speak to that?

The Witness: Based on cases I have had in the years with the service, and also on work that I have done with private or public accounting for several years before my entering the government service, the method I followed here was the method that has been set forth as the proper procedure to be used.

The Court: When you say proper procedure, proper what procedure?

The Witness: In assuming where there is no other evidence as to the distribution, that all items

*Anthony Passaretti—for the Government—Direct*

of income and deduction are to be divided equally between members of a joint venture on a partnership.

(1025)

The Court: So, it was with this in mind that you related these principles to what you have described as the testimony and the exhibits here?

The Witness: That's correct, sir.

The Court: And then you made certain assumptions?

The Witness: That's right.

The Court: Those assumptions are predicated upon this practice which you described?

The Witness: Yes, sir.

The Court: Is that an accounting practice?

The Witness: It's an accounting practice and it's also the practice and also the regulations of the Internal Revenue.

The Court: All right, go ahead, counselor

Mr. Abramowitz: My objection is noted for the record?

\* \* \* \* \*

(1026)

Q. Turning to the year 1971, Mr. Passaretti, did you examine the evidence at the trial with regard to any payments to Mr. Gold in the year 1971? A. I did.

Q. Focusing on the testimony as to the actual payment of money to Mr. Gold in the year '71, what amount does the testimony indicate was paid to him in that year? A. Two payments in the amount of \$6000 each were made to Mr. Gold in the year 1971.

Q. Have you made any schedule concerning the additional tax liability of Mr. Gold for the year 1971? A. Yes, I did.

Q. How much of that total of \$12,000 in the year 1971 did you attribute to Mr. Gold in your calculations? A. One-half, or \$6000.

\* \* \* \* \*



*Anthony Passaretti—for the Government—Cross*

(1028) \* \* \*

Q. In making these calculations did you make any assumption as to the disposition of the other \$6000 paid to Mr. Gold in 1971?

Mr. Abramowitz: Same objection as before, your  
(1029) Honor.

The Court: Same ruling.

A. Yes, I carried this amount over to the return filed by George Stofsky.

Q. For 1971? A. For 1971.

\* \* \* \*

(1034) \* \* \*

Cross-examination by Mr. Abramowitz:

Q. Mr. Passaretti, you made certain assumptions in your direct testimony? Is that correct? A. Yes, sir.

Q. Now, assuming with respect to Government's 51 for identification, which is your schedule for the tax return of George and Florence Stofsky of 1970 that Mr. Stofsky did not receive the \$6000, would there be any (1035) recalculation necessary? A. No, sir.

Q. The same question with respect to Government's Exhibit 52, which is a schedule of George and Florence Stofsky's tax return, 1971, if you assume that Mr. Stofsky did not get that \$6000, would you have to recalculate his taxes for that year? A. No, sir.

Q. The same for Government's Exhibit 53 for identification, which is the Charles and Rae Hoff 1969 return? A. What is the question?

Q. Assuming that Mr. Hoff did not get the money that you say you read in the transcript, would there have

*Anthony Passaretti—for the Government—Cross*

to be any recalculation of his tax for that year? A. No, sir.

Q. The same question for Government's 54 for identification, which is the tax return of Al and Mary Gold, taxable year 1970, assuming Mr. Gold did not receive the money that you say you read in the transcript that he did receive, would you have to recalculate his tax for that year? A. I would not.

Q. And, finally, Government's Exhibit 55 for identification, which is the schedule of Al and Mary Gold's (1036) tax return for the year 1967, assuming Mr. Gold did not receive that money would you have to make any recalculation of his tax for that year? A. I would not.

Q. Mr. Passaretti, I show you Defendants' Exhibit H in evidence, Government's Exhibit 51, Defendants' Exhibit T in evidence and Defendants' Exhibit S in evidence and ask you whether you made any calculations with respect to those tax returns of Jack and Betty Glasser?

Mr. Sabetta: I object to this as outside the scope of direct, and if Mr. Abramowitz wants to make Mr. Passaretti his witness for this, then I have no objection.

Mr. Abramowitz: I do for this purpose.

A. No, sir, I did not.

Q. The Government didn't ask you to do that? A. No, sir, they asked me to get the returns for the Court, and I did that.

Q. Did the Government ask you to make any calculations with respect to the tax returns of one, Daniel Grossman? A. No, sir.

\* \* \* \*

(1037) \* \* \*

Mr. Sabetta: Your Honor, at this time the Government rests its direct case.

\* \* \* \*

*George Stofsky—for Defendants—Direct*

(1167)

GEORGE STOFSKY, a defendant, being first duly sworn, testified as follows:

Direct Examination by Mr. Abramowitz:

\* \* \* \* \*

(1168) \* \* \*

Q. Mr. Stofsky, what is your occupation at the present time? A. I am the manager of the Furriers Joint Council of New York.

Q. How long have you been the manager of the Furriers Joint Council? A. Since 1959.

Q. Is that an elective position within the union, Mr. Stofsky? A. Yes, it is.

Q. How many times have you been elected and re-elected to the position of manager of the Furriers Joint Council? A. Five or six times.

Q. Since 1959? A. Yes.

Q. Prior to '59 did you ever hold any position with the union? A. I was business agent.

(1169)

Q. During what period of time were you a business agent? A. From 1955 to 1959.

Q. Is that an elective position? A. Yes, it is.

Q. Now, could you tell the Court and jury what you did prior to becoming a business agent in 1955? A. I was a floor worker in the industry before the war, after the war, and then I had an opportunity to break in and become an operator.

Q. Could you tell the Court and jury what a floor worker is? Excuse me, when you say, "the industry", I take it you mean the fur industry? A. Yes. A floor worker does general work. He stretches skins, takes nails out of boards, sweeps floors, runs errands, marks patterns, a variety of things, depending on the shop.

Q. How long were you a floor worker in the industry? A. Since I was about 15 and a half.

*George Stofsky—for Defendants—Direct*

Q. And what did you say you did after you became a floor worker? A. I was an operator.

(1170)

Q. Can you tell the Court and jury what an operator is? A. Oh, an operator gets cut up skins from the cutter in the shop and sews them together on the machine.

Q. Did you have any other occupation throughout your lifetime other than in the fur industry, Mr. Stofsky? A. No.

Q. Now, could you tell the Court and the jury briefly what your responsibilities are as manager of the Furriers Joint Council? A. The manager is in effect the chief administrative officer of the union. He is responsible for the function of the staff, for—together with the staff and the Joint Council, which is our elected legislative body made up of rank and file workers. The manager is responsible for formulating policy, reporting on the activities of the union to the Joint Council, preparing the demands for negotiations, reporting to the membership of the union at regular membership meetings, whatever activities the union is actually involved in on that level.

\* \* \* \* \*

(1174) \* \* \*

Q. Mr. Stofsky, you heard a lot of testimony throughout the course of the trial as to contracting. You remember hearing that testimony? A. Oh, yes.

Q. Could you please tell the Court and jury what contracting is, please? A. I will try my best, but I would like to break it down to a couple of sections, because, actually, I think anyone who has spent a lot of years in the industry has to think of it in certain ways, and one way is the way that the collective agreement deals with it, the language of the agreement, the technicalities involved, and in another way I think in terms of the human element that actually exists.



*George Stofsky—for Defendants—Direct*

(1175)

Q. Why don't you answer it both ways then. A. I will try. Let me start with my understanding of it, because I think the very word "contracting" may not be the right word. It is the language of the agreement, but actually it is more like some form of organized scabbing, and that would be the proper word for it, because basically contracting is the act of one human being taking away the livelihood of another human being without regard as to what happens to him. And you got to break that down a little bit further, because there are victims all the way up and down the line on this thing.

Workers who may be working for a contractor are probably the biggest victims of this whole situation. They are the most exploited people in this whole kind of activity that exists in this industry.

The Court: What do you mean by that, Mr. Stofsky?

The Witness: Well, for the most part, a worker in a contracting shop, man or woman, works long hours, much longer hours than anybody should be working in my opinion, certainly much longer hours than a union person in our industry works; he is underpaid; 99 times out of a hundred he has absolutely no security in terms of any kind of protection for illness, either for himself or his family; he has no job security: he can be fired at will; he can (1176) be fired because of any whim of his employer.

But the fact of the matter is that there are several different kinds of things within this. There are not very many contractors who have employees. There are some. And this is something that fluctuates constantly, depending on what is happening in the industry.

*George Stofsky—for Defendants—Direct*

Q. Explain to the Court and jury about contractors having employees? A. Most contractors are self-employed individuals, an individual who buys or rents a machine, because most contracting is the operating of and producing of the garment, the sewing of it. He will buy or rent a machine, get some space, perhaps together with four or five others in a loft or a back room or a cellar somewhere, and solicit for himself only work out of a union shop.

Q. Will you finish your answer? I'm sorry. A. I was just going to say that would be one kind of contractor. The other kind would be the man who does have two, three, five or six workers and who solicits on a larger scale work from a union shop.

Q. By the way, Mr. Stofsky, how many contractors exist in the industry today to your best recollection and estimate? (1177) A. I can give you more than an estimate on this, because it is part of our job, it is part of the procedure in our union on a yearly basis to take a survey of every single shop in the industry, union, non-union, whatever they may be, and while figures do vary and in the last number of years the number of contractors have actually decreased, what we have seen in the last couple of years is something interesting—we have seen quite a few of these individuals——

Mr. Sabetta: If I may interrupt, it seems to me it is not responsible. He was asked how many there were.

Q. I will ask you, Mr. Stofsky, just tell us how many?  
A. I would say in the neighborhood of 350.

Q. Now, directing your attention to the period 1967 to 1972, what would be your answer with respect to the number of contractors in the industry during that period? A. I would say that there were around that figure, around the 350 figure, perhaps up to 400.

*George Stofsky—for Defendants—Direct*

Q. Now, when you say three to four hundred contractors during that period, are you talking both about the individual contractor and the contractor that has some (1178) workers who work for him? A. Yes, I am.

Q. So the total number would be 300 to 400 in the period that we are discussing? A. Yes. It is not a figure that remains the same all the time.

Q. Now, for the Court and jury, Mr. Stofsky, what is a non-union shop in this industry? A. A non-union shop almost always will be a small operation, father-son, or husband-wife, a couple of brothers, usually a family kind of operation that does its own work, as different from a contracting shop.

Q. Explain the difference between a non-union shop and a contractor? A. Well, a non-union shop would be a company that would buy its own skins, have its own patterns, its own styles, make garments and sell to its own customers, whether on a retail or a wholesale level. A contractor does not buy skins; he sneaks them out of union shops; he does not buy patterns; he does not have any customers, because he doesn't sell garments; he sells labor.

Q. How long has contracting been in existence in your experience in the fur industry? (1179) A. 60, 70 years.

Q. How long has the union opposed contracting? A. Since its founding, 1912.

Q. 1912? A. Yes.

Q. How long has it been prohibited by the collective bargaining agreement that you have with union shop manufacturers? A. As far as I know it reaches back to the very beginnings of collective bargaining in our industry.

Q. By the way, Mr. Stofsky, how many manufacturers are signatories to the collective bargaining agreements that we showed you a moment ago, Government's Exhibits 1 and 2? A. We have approximately 600 union shops in the industry, but that would include a number of other opera-

*George Stofsky—for Defendants—Direct*

tions, such as some pattern shops, people who make patterns, an ironing shop, things like that. But by and large the figure is almost all made up of manufacturers.

Q. Who represents the manufacturers with respect to negotiating and signing the collective bargaining agreements? A. There are three trade associations that we negotiate with—Associated Fur Manufacturers, the United (1180) Fur Manufacturers, and the Master Fur Manufacturers Guild, which are the retailers. The other two are wholesale operations by and large.

Q. And the figure of 600 manufacturers that are parties to the agreement are represented by any one of those three organizations that you just testified about? A. Yes. Then there are some shops that have independent agreements that don't choose to belong to a trade association.

Q. About how many shops, union shops, have independent agreements with the union today? A. Not very many. I would say the figure is probably around 50 or thereabouts.

Q. 50? A. Yes.

Q. Directing your attention to the period 1967 to 1972 how many independent shops were signatories to the agreement? A. Perhaps it would be fifty to a hundred at that time. It wouldn't change very much.

Q. Mr. Stofsky, how many members are there currently in the Furriers Joint Council? A. About 5000.

\* \* \* \* \*

(1182) \* \* \*

Q. And you included those people, the temporary workers, in your total number of union members? A. I am not including them when I tell you 5000.

Q. No, I mean earlier, in 1967 and earlier. A. Yes. What has actually happened is that since the new agreements, the new agreement that we signed in 1972, we have a lower membership, less people working, but they



*George Stofsky—for Defendants—Direct*

are working more weeks, they have got much greater job security, because for the first time we were able to get a job guarantee in this industry where an employer is obligated to give a worker a minimum of 26 weeks either in work or in pay, and that has made a huge difference in our industry.

Q. Now, Mr. Stofsky, during your stewardship of the Furriers Joint Council from 1959 to the present, have the benefits, including wages, of the workers increased during that period each time a contract is renegotiated? A. Benefits have increased with each agreement, sometimes substantially increased.

Q. During your period, the period that you were or are manager of a union were there many strikes in the (1183) industry? A. We have not had a general strike in the industry.

Q. Were there non-general strikes, specific strikes against certain shops? A. Yes.

Q. About how many strikes have there been in the industry between 1959 and 1974? A. Probably a couple of hundred.

Q. Now, I don't have to show you the agreement. I assume you know what is in it, unless you need up there. A. I may.

Q. All right, then take it. Now, Mr. Stofsky, would you tell the Court and jury the procedures that are set forth in the agreement with respect to contracts? A. Well, a contracting complaint is almost always initiated by the union, although the Association has a right to do so. From the writing of the complaint, usually by the business agent, and usually upon complaint of a worker from the shop involved, the business agent and the representative of the respective Association will go up to a shop and speak to the employer about this question first. It is possible, and it does happen many times, (1184)

*George Stofsky—for Defendants—Direct*

that the complaint will be answered on the spot and whatever problem there may be resolved at that point.

It is also possible that the representatives of the union and the Association may go back a day or two later, or a week later, to talk about the problem once again with the employer, this time to look at the employer's books that may be available.

In the event that either party is not satisfied with the course of events that is taking place, we have a right, and the Association has a right, to bring this matter before an arbitrator, the impartial chairman. That's the procedure generally.

Q. Say for the last ten years, Mr. Stofsky, about how many cases concerning contracting a year appear before the impartial chairman? A. Probably on an average between 25 and 35 a year, depending on a given year.

Q. How many contracting complaints are settled without the intervention of the impartial chairman generally during the course of any one year? A. Oh, at least that many.

Q. More? A. Yes.

Q. At least that many more? (1185) A. Yes, it would probably run around 30, 40.

Q. Do you have members of your staff, or how many members of your staff are available to weed out contracting— A. Specifically?

Q. Specifically. A. One who has that specific responsibility, as such, although it is understood that every business agent has that responsibility in addition to all of the other duties that he has.

Q. And that one you are referring to is Mr. Gold? A. Al Gold, yes.

Q. The organizer? A. Yes.

Q. And is contracting his only responsibility? A. No, no, it is not.

*George Stofsky—for Defendants—Direct*

Q. Now, Mr. Stofsky, is contracting relatively easy to detect?

Mr. Sabetta: I object to that, your Honor.

The Court: Sustained.

Q. Could you tell us based upon your experience in the fur industry how manufacturers engage in contracting, what methods they use? A. Well, actually the methods change every time we negotiate an agreement because every time we negotiate we (1186) try to plug up the loopholes that manufacturers have found in the old agreement and try to secure in the negotiations more things, more books that have to be made available to us under the contract. Every time we do that, the thing changes, because they change their methods, those who want to do this.

Q. Well, give the Court and jury some idea of some of the methods that you have discovered that manufacturers use when they engage in contracting? A. Well, one of the newer methods today is for these skins that a manufacturer is going to give out to a contractor, for these skins never to enter the premises of the manufacturer. What he will do is he will arrange with a third party, a skin dealer, for the dealer to give out the skins to the contractor and for the dealer to give him a fake bill as though the contractor is buying the skins when actually he is not, the manufacturer is buying them.

Then the contractor in turn makes out another fake bill to the manufacturer as though he is selling his garments. Let's say five garments that he has on the bill for \$10,000. That \$10,000 really would represent labor on 20, 30 coats, but he will write it down there as five garments sold to the manufacturer. (1187) That is one of the methods. They use number codes, they use all kinds of things, and most of all they use three sets of books.

*George Stofsky—for Defendants—Direct*

Q. What are number codes? Did you just say number codes? A. Yes, I did.

Q. Will you please explain to the Court and jury what that is? A. Well, instead of writing down the names in their books of a contractor, they will start putting down numbers as though they are style numbers of different kinds of garments and that will be their way of identify what they do.

Someone from the union looking at this wouldn't have the vaguest notion of what it is, except what it says, it's a style number that they got from a designer, something of that sort.

Q. In your experience as manager of the Furriers Joint Council, when are deliveries to and from contractors usually accomplished, if at all? A. Well, usually at office hours, usually very early in the morning. I have known deliveries, pickups to take place at one o'clock at night. We found some cases where manufacturers who want to give out work (1188) no longer use a pickup and delivery system, they use the United States Mail because they know that it is the safest method of transportation and the hardest one for the union to detect. They will just send it out by U. S. Mail and get it back that way.

Q. And when you say pickup and drop, what do you mean by that? Where would they pick up and drop, and what do you mean by that? A. We found occasions with our limited resources actually where there have been drops made in lockers in Penn Station of skins, where the contractor is given the key to the locker. It may be dropped in the morning at 5 a.m. and he may pick it up at any hour.

We have had occasions where cars in parking lots sometimes will have these skins in them and arrangements are made for that kind of a pickup. You know, you need an army to police this.



*George Stofsky—for Defendants—Direct*

Q. Now, could you tell us what a contracting catch is? A. A catch actually would mean that the union together with an Associated representative caught a contractor taking work out of a place, or delivering it to a manufacturer.

Q. When you say an Associated or an Association (1189) representative, what do you mean by that? A. Well, in order for the complaint to be recognized by the collective agreement and by any arbitrator that it goes to, there has to be by contract both parties present, the union representative and an Association representative. Otherwise it is not a valid catch. If it is only the union, it will not be recognized by the impartial chairman.

\* \* \* \*

(1190) \* \* \*

Q. Mr. Stofsky, during your period of stewardship of the Furriers Joint Council, has it been your experience that contractors become members of the union? A. Oh, yes. Our union has an open door. We have hundreds of ex-workers from contracting shops and even employers who are members of our union. One of our business agents is an ex-worker from a contracting shop.

Q. And what group of people generally make up the contractors in the industry, not to be confused with the non-union shops, but the contractors? What type of people make up that group? A. I'm not sure I know what you mean by "what type".

Q. Well, are there people who are recent immigrants or people who have been here a while? A. Most of the workers in the contracting shops where there are workers are fairly recent immigrants and (1191) most of them are from Greece.

Q. And has it been your experience that some of these people after a number of years join the union? A. Oh, yes.

*George Stofsky—for Defendants—Direct*

Q. Now, Mr. Stofsky, do you know a man by the name of Jack Glasser? A. Yes, I do.

Q. When did you first come to know him? A. When I went to work for the union in 1955.

Q. Do you know what he did for a living? A. He worked for the Association.

Q. What was his function with the Association? A. He represented management.

Q. Specifically you heard Mr. Glasser testify, Mr. Stofsky, that he had a conversation with you in October or so of 1969 concerning a firm called Daniel Furs and a man named Daniel Ginsberg. Do you remember hearing that in court? A. Yes, I do.

Q. Did such a conversation with Mr. Glasser take place, Mr. Stofsky? A. No, it did not.

Q. Did you have a conversation with Mr. Glasser concerning Ginsberg or any of the other manufacturers that (1192) you heard testimony about? A. I never even heard about? A. I never even heard of Ginsberg until this trial, or had conversation with Glasser about any of them.

Q. Now, you heard Mr. Glasser testify, did you not, Mr. Stofsky, about certain phone conversations and meetings in March or April of 1972 after Mr. Glasser said that he received a phone call from a Detective Civitano. Do you remember that testimony of Mr. Glasser? A. Yes, I do.

Q. Directing your attention to March 1972, did you ever meet with Mr. Glasser in that month? A. No, I did not.

Q. Did you ever speak to him on the telephone? A. I may have. I am not certain.

Q. Do you have any recollection of speaking to him on the telephone in March? A. I do not recall it, but I do recall him calling me after that.

Q. By the way, in February of 1972, did there appear an article in the press concerning the fact that the fur

*George Stofsky—for Defendants—Direct*

industry was under investigation by the Federal Government? A. Yes, there did.

Q. That was in what newspaper, do you recall? (1193)

A. That was in Womens Wear Daily, in the New York Times, in the Daily News.

Q. Prior to April 1972, when was the last time that you had seen Mr. Glasser? A. In 1970 some time.

Q. Do you remember approximately when in 1970? A. I do remember. It was right after he was fired.

Q. When was that, do you remember? A. In the fall of the year. September or October.

Q. 1970? A. Yes.

Q. And you had not seen him from 1970 until April 1972; is that correct? A. Yes.

Q. Had you heard from him? A. I had no contact with him whatsoever.

Q. Except for a possible phone call in March? A. Right, sir.

Q. You don't remember what was said in that phone conversation, do you? A. I do not.

Q. Now, directing your attention to April 4, 1972. (1194) do you remember that you had a meeting with Mr. Glasser on that day? A. Yes.

Q. Now, could you please tell the Court and jury how that meeting came about, who called who and what was said? A. Yes. I was in the offices of the Associated Fur Manufacturers, meeting with Mr. Hecht, who was the executive vice-president of that organization. This was in the afternoon some time. All came in. I was told it was for me; that it was Mr. Glasser on the phone. I picked up the phone. Mr. Glasser said to me that he had just returned from an interview with United States Attorney Hinckley and that he would like very much to talk with me about this with Mr. Hecht and myself.

Q. You were in the offices of Mr. Hecht at the time you received the phone call? A. In Mr. Hecht's office, actually.

*George Stofsky—for Defendants—Direct*

I was interested in what he had to say because I had had an interview with Mr. Hinckley some weeks prior to that. I had asked to see Mr. Hinckley and after I had seen him I had requested—I had volunteered to appear before the grand jury that was conducting an investigation in the industry and I did in fact appear a few weeks before (1195) that.

When I heard from Mr. Glasser that he had been interviewed by Mr. Hinckley, I was very interested. I said, "Hold on a minute." I said to Mr. Hecht, "Jack Glasser is on the phone. He wants to talk to you or me." Mr. Hecht said, "Fine. If it's okey with you, it's okay with me. Have him come down."

I said to Mr. Glasser, "Why don't you come over here?" He said that he couldn't; that he wasn't well enough to and could we come to see him in Queens. I asked him to hold on again and I asked Mr. Hecht that question. He said he couldn't go because he had a board of directors meeting later on that afternoon and suggested that I go out without him to find out what had been going on.

I said to Glasser, "If you give me your phone number, I will have Al Gold call you to find out where we can meet you, but Irv Hecht can't make it." He gave me his phone number. I called the union. I don't know if I got Al Gold immediately or if he called me back and I gave him that phone number and told him to (1196) please call Jack Glasser and find out where he wanted to meet us.

Q. And what happened, Mr. Stofsky? A. Gold called me back and told me that he was supposed to meet Glasser in a luncheonette in Queens and he probably came by in the union car a half hour, 40 minutes I don't know how much later, picked me up and we went out there and met Glasser in this luncheonette.

Q. You never lived in Queens, by the way, Mr. Stofsky, did you? A. No, I never have.



*George Stofsky—for Defendants—Direct*

Q. Did Mr. Gold live in Queens, to your knowledge?

A. Yes.

Q. Did you know where the luncheonette was that Mr. Glasser wanted— A. No, I did not.

Q. Is that why you asked Mr. Gold—

Mr. Sabetta: Objection, your Honor.

The Court: Sustained.

Q. What happened when you got there? A. When we got there we sat down in a booth, ordered some coffee and Mr. Glasser told me that he had just been interviewed by Mr. Hinckley, the U.S. Attorney, and that he was in trouble concerning his income taxes; that Mr. (1197) Hinckley had accused him of taking money from manufacturers and that he would have a serious income tax problem.

Mr. Glasser said to me, "I need a lawyer. I have got to go back there and see him in a day or two. I don't know what to do." He told me that his wife was not well; that his son was in California and he didn't know what to do or who to turn to. I said to him, "What is it all about?"

He again told me that it's about the reason he got fired from the Association, for taking money from employers, and he is not the only one in the Association who did that, and if necessary, for himself, he is ready to tell Mr. Hinckley that there are other people in the Association who did the same thing that he did.

Q. Was there any conversation at all with Mr. Glasser about you or any other member of the union leadership being involved with Mr. Glasser at this time? A. None whatsoever.

Q. What else did Mr. Glasser say? A. Well, the real reason, evidently, of why he had—

Q. Just say what he said. A. He kept asking me to get him a lawyer. I told him that the only lawyer I knew

*George Stofsky—for Defendants—Direct*

is the union lawyer, Mr. (1198) Cammer and his associate, Mr. Shapiro. I didn't think they would have anything to do with this kind of thing. They are labor lawyers and they wouldn't have anything to do with this. It's none of their business.

Q. Then what happened? A. He kept insisting. You know, he just didn't know who to turn to, would we call Mr. Cammer and ask him if he knows of a lawyer; if he could recommend a lawyer. Finally I said, "Okay," and I asked Al to place a call to Mr. Cammer. There was a phone booth right there in the luncheonette. Al Gold did place the call. He came right back and he said Mr. Cammer was not in, Mr. Shapiro was on his way out and had given him Harold Cammer's home phone number and suggested he call there. That was really the extent of it at that time.

Q. Do you know a man by the name or of an attorney by the name of Arthur Hammer? A. I don't know him. I have heard the name, since this incident.

Q. Do you know whether he eventually represented Mr. Glasser with respect to his appearance before the grand jury in early April 1972? A. Yes. Mr. Cammer told me afterward.

Q. Did you ever pay for that lawyer? (1199) A. No, sir.

Q. Did the union ever pay for that lawyer? A. No.

Q. Did either Mr. Hoff, Mr. Gold or Mr. Lageoles, to your knowledge, pay for that lawyer? A. No.

Q. Did you or Mr. Gold, during the course of this conversation at Tiffie's Restaurant, offer to pay for the lawyer? A. No.

Q. Were you asked by Mr. Glasser to reimburse him for his expenses with respect to the lawyer? A. No, sir.

Q. Was there any conversation whatsoever at Tiffie's Restaurant about Mr. Glasser's industry pension? A. No.

Q. Not to be confused with the Association pension. A. There was nothing mentioned about any pension.

*George Stofsky—for Defendants—Direct*

Q. At all? A. Not at all.

Q. Mr. Stofsky, do you know a man by the name of Daniel Grossman? A. I do.

Q. How long have you known him? (1200) A. Probably since around the time when the shop was organized—unionized, that is.

Q. When was his shop unionized, Mr. Stofsky? A. I believe 1959.

Q. Was he or his father, or both of them together, in the fur industry prior to 1959? A. Oh, yes. His father conducted a non-union operation for 20, 25 years in this industry.

Q. Then in 1959 he organized? A. Yes.

Q. Was there any strike concerning the organization of the Grossman shop? A. There was a strike preceding the organization, but there had been dozens of strikes against Grossman and his father before him going back for 25 years. At the time when he signed his first contract it was during the course of a strike.

Q. How long was that strike, do you recall? A. It was a lengthy strike.

Q. Did you ever socialize with Mr. Grossman? A. Never.

Q. Did you ever have dinner with Mr. Grossman? A. Never.

Q. Did you ever have lunch with Mr. Grossman? (1201) No, I did not.

Q. Specifically, did you have lunch with Mr. Grossman at the Charles Restaurant in Manhattan? A. No.

Q. You heard him testify to that, do you remember? A. Yes, I did.

Q. Were you ever at the Charles Restaurant on Sixth Avenue in Manhattan? A. No, I have not been.

Q. With or without Mr. Grossman? A. No. I have not.

*George Stofsky—for Defendants—Direct*

Q. Were you ever at any restaurant with Mr. Daniel Grossman? A. Never.

Q. Mr. Stofsky, do you make it a practice to have lunch alone with manufacturers in the industry?

Mr. Sabetta: I object to that, your Honor.

Mr. Abramowitz: Your Honor—

The Court: I will allow it.

Mr. Abramowitz: Could you repeat the question.

The Court: Read it back.

(Question read.)

A. Four days out of five I have lunch all by myself in my office. It's the quietest type of day for me. (1202) I order a sandwich and that's where I have lunch.

Q. Please answer the question. Do you have lunch with manufacturers? A. Occasionally, yes.

Q. Where do you have lunch with them, in what area?

A. In the market area.

Q. Which is where, by the way, in what area? A. I would say anywhere from 26th Street up to about Penn Station, if you are including where you can possibly have lunch in the area.

(1203)

Q. Do you know a man by the name of Harry or did you know a man by the name of Harry Koch? A. Vaguely.

Q. Could you tell us how you knew him? A. I knew of him I think would be more accurate. I knew that he was a character in the industry. He was a shylock, a money lender. That is what I knew of him.

Q. Was he a manufacturer of furs? A. No, he was not.

Q. Was he a manufacturer of anything. A. Not that I know of.

Q. Was he a union official in the fur union or any other union? A. No.



*George Stofsky—for Defendants—Direct*

Q. Where did he spent most of his time, if you know?

A. I don't know.

Q. Did you ever receive any money from Mr. Koch? A. No.

Q. Did you ever borrow any money from Mr. Koch. A. No.

Q. Did you ever give any money to Mr. Koch? A. No.

Q. Do you know a man by the name of David Koster?

A. Yes, I do.

(1204)

Q. How do you know him? A. I know him for many, many years. I knew when he was a worker in the industry.

Q. What is he now? A. He is a manufacturer.

Q. What was he in 1970 or 1971? A. Manufacturer.

Q. What was he in '67 to '71? A. He was in business, manufacturing.

Q. He was not in the union at that time? A. Oh, no.

Q. Is he a union shop, by the way? A. Yes.

Q. Did you ever receive any money from Mr. Koster?

A. No, sir.

Q. Did you ever give any money to Mr. Koster? A. No.

Q. Did anyone said to be on behalf of Mr. Daniel Grossman or any other manufacturer give you any money during all the time that you have been a union official?

A. Not one red cent.

Q. Now, Mr. Stofsky, do you know a man by the name of Harry Jaffee? A. Yes, I do.

(1205)

Q. Tell me how you know Mr. Jaffee. A. Mr. Jaffee was a business agent in the union.

Q. When to your recollection was he a business agent in the union? A. Before I was and during the time that I was.

Q. When did he cease to be a business agent in the union? A. He retired in 1972.

Q. Now, prior to Mr. Jaffee retiring in 1972 did you have any conversation with Mr. Jaffee about the receipt of money by him? A. Yes, I did.

*George Stofsky—for Defendants—Direct*

Q. Will you please tell us approximately when that conversation took place? A. I think around 1967, '68, in that area.

Q. Could you tell us where it took place? A. In my office.

Q. To the best of your recollection can you tell us please who said what at that conversation? A. I think if I am allowed that I have to explain how the conversation in my office took place, because something preceded it.

Q. Please tell us how you came to meet with Mr. Jaffee at that time? (1206) A. I had received some information, either an anonymous letter or a telephone call—I don't remember which—that Mr. Jaffee was getting money from a man named Sidney Abrams, that he would meet him somewhere in Brooklyn on a Sunday morning and receive money from him. When I received this information I went up to the showroom of this Mr. Abrams and I confronted him with this information. Mr. Abrams—

\* \* \* \* \*

(1207) \* \* \*

Q. What did Mr. Abrams say at that time? A. Mr. Abrams denied it.

Q. What thereafter did you do, Mr. Stofsky? A. I had some conversation with him.

Q. With who? A. With Mr. Abrams. He continued to deny it. I left and went back to my office.

(Mr. Sabetta took his place at the counsel table.)

Q. Then what did you do? A. Shortly after I got back there, Mr. Jaffee came in.

(1208)

Q. Then what happened? A. He instantly—

Q. No. Just tell us what he said. A. He asked me what right I had to go up to Mr. Abrams and ask him about

*George Stofsky—for Defendants—Direct*

giving Mr. Jaffee any money. I told him I had every right to do so, it was my job to do so, and that he had no right to object to it.

Q. Then what happened, Mr. Stofsky? A. We argued about it for a while. He denied that he had ever taken money from Mr. Abrams.

Q. Did there come a time when you reassigned Mr. Jaffee? A. Yes, I did, very shortly thereafter.

Q. What did you do? A. I removed him from some important shops that he was handling in the vicinity of the fur market. He was in some very important shops and buildings, and reassigned him to the retail district uptown, Brooklyn, Bronx, those areas.

Q. Was that the first time during your experience in the union that there had been some complaint about business agents taking any money from manufacturers? A. No, it was not the first time.

Q. About how many times do you recall that such (1209) complaints were leveled against business agents?

Mr. Sabetta: I object to this. I don't see the relevance of this.

The Court: Sustained.

Q. Did there come a time when Mr. Jaffee wanted to leave the union and join the Master Furriers Guild? A. Yes.

Q. What was the Master Furriers Guild? A. It is the trade association of the retailers.

Q. Equivalent to the Association of Fur Manufacturers? A. Yes.

Q. But only for retailers? A. Mostly store owners.

Q. Who was the president of the Master Furriers Guild at that time. A. A man named Ben Thyland.

Q. Did you have a conversation with Mr. Thyland about

*George Stofsky—for Defendants—Direct*

Mr. Jaffee joining the Master Furriers Guild? A. Yes, I did.

Q. Will you tell us approximately when you had that conversation? A. Some time in 1971, I believe, or the beginning of '72. I am not certain.

Q. Could you tell me where you had that conversation? (1210) A. It was a telephone conversation; it was in my office.

Q. Could you tell me to the best of your recollection, Mr. Stofsky, what was said at that time?

Mr. Sabetta: I object to this conversation, your Honor.

Mr. Abramowitz: I will withdraw the question.

Q. What did you tell Mr. Thyman during that conversation? A. I told Mr. Thyman that I thought it would be a mistake on the part of the Master Furriers Guild to hire Mr. Jaffee to represent them.

Q. Did you tell Mr. Thyman why it would be a mistake? A. Yes, I did.

Q. What did you say? A. I told him that I had heard some rumors that Mr. Jaffee was taking money from retailers.

Q. Do you know whether Mr. Jaffee ever got the job with the Master Retailers? A. He did not.

Q. This conversation with Mr. Thyman, by the way, who called whom to the best of your recollection? A. Mr. Thyman called me.

Q. Now, going back to Mr. Grossman for a minute, (1211) Mr. Stofsky, when his shop became organized in 1959, what was the name of the corporation that Mr. Grossman was doing business as? A. I don't know. I don't know the name.

Q. Do you know whether he had one or several cor-



*George Stofsky—for Defendants—Direct*

porations? A. He has had so many different names. I'm sure he had several at that time.

Q. You heard testimony during the course of this trial, have you not, Mr. Stofsky, that with reference to the Grossman shop and Mr. Poulos, who was his contractor, that contracting was wide open? Do you recall that kind of testimony? A. Yes, I do.

Q. Could you tell the court and jury the union's efforts to check out contracting in the Grossman shop during the period '67 to '72? A. Well, I know that there were repeated complaints made. I know that there were book investigations. I understand better now that I did before after listening to Mr. Grossman why we had so many difficulties in ever finding anything in the books, because it is very evident that we never got the real books. He gave us those books in which he had absolutely nothing about contracting.

(1212)

Q. Did you personally make any effort to check out contracting in Mr. Grossman's shop? A. No, that is not my job.

Q. Whose job was it? A. The business agent of the shop.

Q. Who was that? A. Charles Hoff and John DeMilis—there have been any number of agents.

Q. Did they report to you as to efforts in checking out contracting at the Grossman shop? A. From time to time, yes.

Q. Do you recall ever being at a meeting with Mr. Grossman and Mr. Ricciardi in 1971? A. Yes, I do.

Q. Will you tell us approximately when in 1971 you had that meeting? A. I think that it was around the end of the year; it might have been a little later. I'm not absolutely certain of that.

Q. Will you tell us who was present? A. Mr. Ricciardi,

*George Stofsky—for Defendants—Direct*

who was the president of Richton, the conglomerate that owned Grossman, Grossman, Mr. Hoff and myself.

Q. Could you tell us to the best of your recollection, (1213) Mr. Stofsky, who said what at that meeting? A. It was our usual union-Grossman meeting, only with Ricciardi being present. I said to Grossman and Hoff said to Grossman, "You have got to stop giving out work and put on additional workers." He said to us, "I don't give out work; I never give out work; I job; I buy from union shops; I buy completed garments from union shops; that is how I make up the amount of sales that I have."

And we kept saying, "We know that you give out work," and "you have got to put on more people." That was the meeting. It was the standard union-Grossman meeting.

Q. Had you had such meetings with Mr. Grossman prior to 1971? A. Oh, yes.

Q. How many have you personally been at? A. There would be one or two of those that would involve me at least every year.

Q. One or two every year? From what period are we talking about? A. From the time that he was unionized, from the day that he was unionized he began violating.

Q. Did there come a time when he agreed to take on more workers? A. He took on more workers on numerous occasions (1214) after getting pressed, sometimes after an impartial chairman's decision, which took a year to enforce. But we were always on the same thing with Grossman.

Q. The object to get more workers? Is that correct? A. Absolutely.

Q. By the way, is Mr. Grossman the largest fur manufacturer in the industry? A. Oh, no.

Q. How many larger manufacturers are there in the industry? A. Quite a few.

*George Stofsky—for Defendants—Direct*

Q. Could you give us your best estimate? A. I would say in terms of volume of sales, there are probably anywhere from 40 to 50 who do a larger volume than he does.

Q. By the way, Mr. Stofsky, did you ever receive any money from Mr. Gold said to be given to you on behalf of Mr. Grossman? A. No, I never did.

Q. Mr. Stofsky, I show you Government's Exhibit 44 in evidence, which is your 1970 income tax return. Do you see it? A. Yes.

Q. Is everything on that return true and correct (1215) to the best of your knowledge? A. Yes, it is.

Q. Did you omit any income from that return? A. No, I have not.

Q. Looking at Government's Exhibit 45 in evidence, which is your 1971 income tax return, the same question—did you omit any income from your return in 1971? A. I have not, but I really should say knowingly. It is conceivable that there is some slight omission.

Q. When you say some slight omission, what are you referring to? A. I don't throw that out. I take all of my papers and all of my documents and I give them to the union accountant and he does it.

Q. Specifically, Mr. Stofsky, did you ever receive \$6,000 from Mr. Dan Grossman in 1970? A. No, I did not.

Q. Did you ever receive \$6,000 from Mr. Dan Grossman in 1971? A. No.

Q. Did you ever receive it from anybody? A. No, I never have.

Q. In 1970-71? A. Never.

(1216)

Q. From anyone from '59 to '72 did you ever receive any money from any manufacturer in the fur industry to permit contracting? A. I would never betray my union.

Q. Did you ever receive any money from any manufacturer for any purpose whatsoever? A. No, sir.

\* \* \* \* \*

*George Stofsky—for Defendants—Cross*

(1217)

Cross-examination by Mr. Sabetta:

\* \* \* \* \*

Q. Did you, during the period of '64 to '72, take out any loans of any kind? (1218) A. Yes, I did.

Q. Would you tell us when and for how much and for what purpose? A. I know I had an automobile loan in 1971. I think I may have had another automobile loan earlier in the '60s and probably a couple of loans in our credit union.

Q. Do you remember when those took place? A. Not specifically. I can look it up.

Q. Now, in the '71 auto loan, how much was that for? A. \$1,000.

Q. What kind of car did you acquire? A. It was actually my son's car. It was a Datson.

\* \* \* \* \*

(1225) \* \* \*

Q. Now, Mr. Stofsky, do you know Mr. Henry Katcher? A. Yes, I do.

Q. Who is he? A. He is an employer in the industry.

Q. What firm is he connected with? A. A company called Merchants—I'm not sure of (1226) the rest of it. It's one part of it. Maximillian Furs. He may have an interest in a cold storage plant, I'm not sure.

Q. How long have you known Mr. Katcher? A. Since about 1955, 6.

Q. Is he properly characterized as an executive in the fur industry rather than a mechanic? A. Oh, yes.

Q. He runs one of the companies that's fairly successful in the industry; is that correct? A. Yes.

Q. I am referring now to Maximillian. A. Yes.

Q. They are located around 57th Street or so? A. Yes.



*George Stofsky—for Defendants—Cross*

Q. Has Mr. Katcher ever represented manufacturers' interest in labor disputes with the union? A. He has acted as an arbitrator, yes.

Q. And you have had occasion to meet and deal with him, have you not, in that capacity? A. As an arbitrator? Yes.

Q. As someone representing the interests of manufacturers in a labor dispute with the union. A. No. (1227)

Q. Well, did you ever meet him in connection with a labor dispute involving the Sherman [*sic*] [Berman] Bros. firm? A. He was present in the association with Mr. Hecht.

Q. You mean he was just standing around or was he — A. No.

Q. He had some role? A. Yes. He was present. He was invited by Mr. Hecht to be present with Mr. Sherman [*sic*] [Berman], myself and probably one or two other people from the union.

Q. What function did he serve there? A. I guess he was a friend of Mr. Sherman [*sic*] [Berman]. I don't know what else he was.

Q. Did he just listen to what was being said to him? A. Most of the time, yes.

Q. He didn't make any contribution; he didn't negotiate with you at all towards a resolution of this? A. No, sir, he did not.

Mr. Abramowitz: Could we place a time?  
The Court: Yes.

Q. When did this occur, Mr. Stofsky? A. I am not sure. Two, three years ago.

Q. Do you recall any instances when Mr. Katcher negotiated with you toward the resolution of a labor dispute with any union manufacturer in the union? (1228) A. Not specifically, no.

*George Stofsky—for Defendants—Cross*

Q. Let me see if I can help you. Do you remember the firm of Breslin Baker? A. I remember there was such a firm, yes.

Q. Did you know a man named Sam Baker? A. I met him once.

Q. Did you ever have occasion to sit down with Mr. Katcher and negotiate the resolution of a labor dispute between the union and the Baker firm? A. No, I did not.

Q. You never have? A. I never negotiated a labor dispute.

Q. Did you ever talk to Mr. Katcher about a problem that the Baker firm was having with the union? A. It's possible. We had a problem with him. He was importing garments and I know that we did have a problem with him. That was the one occasion I met Mr. Baker.

\* \* \* \* \*

(1229) \* \* \*

Q. Did you and Mr. Hoff together ever meet with Mr. Katcher? (1230) A. It's possible.

Q. Did you ever meet with them, that is with Mr. Katcher and Mr. Hoff, regarding a dispute regarding the Baker firm? A. Not that I know of.

Q. Would you say that you and Mr. Katcher are on cordial terms with one another? A. Yes, I hope so.

Q. In fact, isn't it true that the Maximillian firm has had very little trouble with the union over the years? A. I don't—as little or as perhaps as much as hundreds of other firms.

Q. Well, do you recall, in your own experience, any complaints for contracting against Maximillian for instance? A. I don't know at the moment.

Q. I'm sorry. A. I don't know at the moment.

Q. Does that mean you have no recollection at all or your best recollection is that you don't remember? A. I don't remember at this moment.

*George Stofsky—for Defendants—Cross*

Q. You have no knowledge is what you are saying?

Mr. Abramowitz: Your Honor, he has asked the question and he has answered the question.

Mr. Sabetta: I don't understand his answer.

(1231)

Q. Are you saying to the best of your recollection you know of no complaints against them for contracting?

A. I don't want to say to you that there have not been any, Mr. Sabetta, because there well might have been. I just at this particular point don't know. We have hundreds of shops with thousands of complaints each year. I really can't remember them all.

Q. Now, did you ever receive from Mr. Katcher an envelope which he delivered to you from Mr. Baker? A. No, I did not.

Q. Did anyone else in your presence receive such an envelope? A. Not in my presence.

Q. Now, I want to address your attention specifically—

Mr. Abramowitz: May I have the last question read? Did he say such an envelope?

The Court: Read it back.

(Question read.)

Mr. Abramowitz: Meaning a Baker envelope?

Mr. Sabetta: Meaning a sealed white envelope from Mr. Katcher deliver on behalf of Mr. Baker.

The Witness: No, sir.

Q. Did you ever receive money from Mr. Baker through Mr. Katcher? (1232) A. Never.

Q. Did Mr. Hoff, in your presence, ever receive money from Mr. Baker through Mr. Katcher? A. Never.

*George Stofsky—for Defendants—Cross*

Q. You are quite sure that Mr. Katcher never delivered to you a sealed white envelope containing money from Mr. Baker; is that correct? A. I'm certain of that.

Q. It couldn't have happened in 1970, could it? A. It didn't happen.

Mr. Abramowitz: Your Honor, it's been asked and answered.

The Court: All right.

Q. Do you remember having lunch with Mr. Katcher where you discussed Baker's problems? A. Not offhand.

Q. Now, Mr. Stofsky, would you say it would be at least in the short run very profitable or represent a substantial savings in cost to a union manufacturer to employ non-union contractors rather than additional union labor? A. That's usually the reason why they do it.

Q. As a matter of fact, at least under the new agreement, if a union manufacturer employs a union employee (1233) for more than two weeks and he becomes a permanent employee, the manufacturer is required to employ that employee for 26 weeks; isn't that right? A. Yes, it is.

Q. During that period of time he is required, that is the manufacturer, to make payments to the various funds; isn't that right? A. Yes, sir.

Q. Which funds is he required to make payments into? A. The health and retirement fund.

Q. Any other fund? A. No.

Q. Is there any requirement that the manufacturer make payments into a pension fund? A. That's the health and retirement fund.

Q. Is there any requirement that the manufacturer set aside moneys for vacation or holiday pay? A. Yes.

Q. How much is that? A. I beg your pardon?



*George Stofsky—for Defendants—Cross*

Q. How much is that? A. Well, that depends on the eligibility of the individual worker involved. It's 4 per cent of payroll, but it's—

(1234)

Q. I'm sorry, go ahead. I didn't mean to interrupt you. A. It stops at the point where sufficient money has gone in to cover the vacation that the individual worker is eligible for. We have a one, two, three vacation clause.

Q. How much is the manufacturer required to pay into the health and welfare fund during the course of a year? A. \$1,300 per worker.

Q. Could you give us your best judgment as to the per cent of a union employee's salary that a manufacturer winds up paying in fringe benefits of the kind we have been talking about? A. It would be 22 per cent, approximately.

Q. It is a substantial percentage of the employee's wages, is it not?

Mr. Abramowitz: I object to the form of the question.

The Court: Sustained.

Q. Now, it is fair to say, isn't it, Mr. Stofsky, that your industry is a seasonal one? A. It is said, but it really does not describe the entire industry. It describes sections of it.

Q. There are— A. Excuse me. Will you let me finish?

(1235)

Q. I will be happy to. A. There are shops that work 48, 50 and 52 weeks a year.

Q. Aren't there also shops in which the number of employees is such that a large order from a department store, for instance, could not be filled by the labor force then on hand? Have you heard of that happening? A. I have heard of it happening and that's why in our collec-

*George Stofsky—for Defendants—Cross*

tive labor agreement we have a provision that permits this kind of a situation to be remedied, where an employer—may I?

Q. Are you talking now about the present contract?

A. I am talking about the contract since 1958 that has the same clause in it that permits an employer, if he gets this kind of a large order, that he can't possibly fulfill in his shop at the time that's allotted to it, that permits him to give this work to another union shop.

Q. You don't mean the same clause since 1958, do you, Mr. Stofsky? A. There may be some slight changes, but basically it is the same clause, yes.

Q. Can you tell us what the slight changes might be?

A. Offhand I don't know what slight changes there are in that clause.

(1236)

Q. Well, let me see if I can help refresh your memory. Isn't it true that back in 1968 or so before a manufacturer could get permission from the union to give out work to another union shop, there had to be numerous conditions met pursuant to the terms of the contract? A. It still is so.

Q. Didn't at that time the manufacturer have to have a fully employed factory? A. That's so.

Q. And isn't it true that he had to be working a certain amount of overtime? A. I think that the agreement said a reasonable amount.

Q. Isn't it true that during that period of time the manufacturer had to have no room for expansion? A. Yes, that's true.

Q. How many instances were there where this right to give out work to union shops was granted in 1968, do you recall? A. No, I do not.

\* \* \* \* \*

*George Stofsky—for Defendants—Cross*

(1244) \* \* \*

Q. Mr. Stofsky, do you have any idea what the average fine imposed for contracting amounted to? Let's take the period '69 to '70. You had about 35 cases or so per year come up and reach decision by the impartial chairman, action taken by the impartial chairman. Out of those cases can you tell us what the average fine imposed (1245) amounted to? A. I think that if you want to understand this, you can't talk about average fines.

Q. Mr. Stofsky, I am asking you a question. If you can answer it, please answer it. If you can't, just say you can't answer it and we will move to something else. A. I would say that the average fine imposed for an employer who may be caught giving out a few rabbit coats for finishing could be anywhere from \$50 to a hundred or a hundred and fifty dollars? The average fine for an employer who may be caught giving out some collars to be made, may run the same amount. The average fine for an employer who may be caught giving out one or two mink coats may be two, three hundred dollars, it could be a warning, it could be no fine at all. It depends. You just can't take the whole thing and put it in one pot and say it is all alike, because it just isn't.

Q. My question is pretty simple. Maybe it's not simple enough. I am asking you with respect to the year '69, that year you say there were about 35 complaints that came before the impartial chairman. I am asking you in the adjudication of those complaints what average fine is imposed? (1246) A. I'm not certain of it and I'm not certain that I can shed any light on it.

Q. If you can, do it. A. I don't know, Mr. Sabetta. I will find out.

Q. Your answer is you don't know? A. I will find out.

Q. Now, you said the union was very active and vigilant against Mr. Grossman's firms? Is that correct? A. We try our best.

*George Stofsky—for Defendants—Cross*

Q. He was a known violator for contracting? Is that right? A. I would say that we always were suspicious of Grossman.

Q. In fact, the union had struck him before he was a union shop on many occasions? Isn't that right? A. Yes, sir.

Q. And, in fact, after he became a union shop he was fined \$4000? Isn't that right? A. I'm not certain of that, Mr. Sabetta.

Q. Well, do you remember his testimony to that effect? A. I remember his testimony.

Q. Do you remember also, Mr. Stofsky, sometimes in the late '60s this firm was complained against on contracting (1247) by the filing of a complaint? A. I recall the testimony.

Q. Do you recall it happened on many occasions, complaints were filed against Mr. Grossman? A. I am certain that they were.

Q. Do you remember Mr. Grossman's testimony about the only fine that was imposed during that period? A. Yes, I do.

Q. Do you recall how much that was? A. I recall that he didn't remember a \$2000 penalty and remembered a \$150 penalty.

Q. Do you have any records reflecting a \$2000 fine for contracting? A. We have the decision of the impartial chairman.

Q. Would you produce that tomorrow? Is that for contracting? A. It is for a violation.

Q. You are not sure whether it is for contracting? A. I think that your question was do I recall any fines, aside from the \$150.

Q. Well, let me impose for violations of contracting other than the \$150. A. No, I do not recall.

Q. Do you recall Mr. Grossman paying a \$2000 fine



*George Stofsky—for Defendants—Cross*

(1248) to the union or any agency as a result of an impartial chairman's decision? A. For contracting?

Q. For anything. A. Yes, there was a \$2000 penalty.

Q. You recall that being paid by Mr. Grossman? A. I didn't collect it.

Q. Do you know that it was collected? I assume it was.

Q. Do you know that it was collected? A. I assume so, Mr. Sabetta.

The Court: Just one moment. The question is whether you know whether it was collected?

The Witness: The union is not the party that collects.

The Court: Just a moment.

The Witness: No, I do not.

Q. To whom are fines paid? A. Usually to the Conference Committee.

Q. Are they sometimes paid to someone else? A. Well, some fines by agreement do go elsewhere, yes.

Q. Where do they go? (1249) A. They go on occasion to the union, some moneys go to charities, some moneys are used for sick workers.

Q. Do you remember Mr. Glasser's testimony about the union's treatment of the firms that had been paying him off for the privilege of contracting? A. I remember Mr. Glasser's testimony.

Q. Do you remember my asking him a series of questions whether to his knowledge the firms which had been paying him moneys had been fined by the union during the time they were paying off? Do you remember that testimony? A. In general I do, yes.

Q. Have you made any search of the union's records in an attempt to determine whether Mr. Glasser's testimony in that regard was accurate? A. Well, I remember that it was——

*George Stofsky—for Defendants—Cross*

Q. The question is, did you make any search of the union records in an attempt to determine whether Mr. Glasser's testimony in that regard was accurate? A. No.

Q. That probably can be answered yes or no. A. No, I personally did not.

Q. Did you ask anyone else to do that? A. Yes.  
(1250)

Q. Did they produce any records in that regard? A. Yes, they produced as I recall the Schwartzbaum record of a strike and a penalty.

Q. Strike and penalty against Mr. Schwartzbaum? A. Yes, sir.

Q. What year was that? A. It was during the time period that was in question, I think '69.

Q. Was that for contracting? A. It was for importing.

Q. May I ask that that record be produced tomorrow? Are there any other such instances of the eight or so firms that have been testified about? A. I don't recall at the moment. I will check it.

Q. You know as a fact that Mr. Grossman was fined a hundred and fifty dollars for contracting? A. I know it now.

Q. Would you say that is a substantial fine? A. I would say it's a very small fine.

Q. Would it refresh your memory if I told you that was imposed on January 29, 1969? A. It would not refresh my memory. I probably never knew about it then.

Q. You also know, do you not, that Mr. Grossman (1251) and his firm after the filing of the indictment in this case on October 15, 1973, paid a fine of \$10,000 for contracting? A. Yes, sir.

Q. Are you aware of that? A. Yes.

Q. You say you don't know that he was fined \$4000 some time in 1964 or so? A. I have no memory of that in 1964.

*George Stofsky—for Defendants—Cross*

Q. What about the year '66, '67, '68, '69, '70, did you know the treatment of the union with regard to Mr. Grossman's firms during that period with respect to contracting?

A. I know that the union constantly tried to get Mr. Grossman to take on more workers, to stop the practices that we were suspicious that he was doing. That I do know.

Q. Is it your best judgment that the union was not successful in proving these violations? A. Yes, many times.

Q. Complaints were filed and you just didn't have the proof? A. That is right. He had six set of books we know now.

Q. You heard Mr. Grossman's testimony that his firm (1252) during the period of time we are talking about did a volume of about \$2,500,000? A. Yes.

Q. Do you know that that is generally the volume of the work done by his firm? A. No.

Q. You have no idea? A. No.

Q. Did you say in response to Mr. Abramowitz before that there were 40 to 50 firms larger than Mr. Grossman's? A. Because I am taking it for granted that Mr. Grossman when he says that is giving an accurate figure.

Q. You have no knowledge of that? A. No.

Q. So when you were answering Mr. Abramowitz' question you were relying on information that was given here in the courtroom? A. Yes.

Q. Would you say as the manager of the union you normally have access to and come into contact with records which would reflect the volume done by each of the manufacturers? A. No.

Q. Who are parties to the union contracts? (1253) A. No, we don't have that.

Q. Well, Mr. Stofsky, are you familiar with an advertising campaign which has been started in industry to combat the advertising of conservationists with respect to wild life? A. Mr. Sabetta, we are responsible for that campaign.

*George Stofsky—for Defendants—Cross*

Q. Do you know that manufacturers are required to pay, those who agree to participate are required to pay a certain amount of their monthly volume as dues into a fund for that advertising campaign? A. Yes, I do. And, by the way, the union has paid in tens of thousands of dollars, too.

Q. Does the union have anything to do with administering that fund? A. No.

Q. Is any union official connected with that fund in any way? A. No.

Q. Not anyone? A. No paid official of the union is connected with that fund.

Q. Not in any fashion? A. Not in any fashion.

(1254)

Q. The union has no access to the data supplied by the manufacturers in connection with their dues? A. I suppose if we wanted to find out we could. But for what purpose?

Q. In other words, the union could have access if it wanted to? Is that accurate? A. I suppose so, yes.

Q. Now, Mr. Stofsky, would you say it is a fair statement that six mechanics could not turn out two and a half million dollars worth of fur garments in a year? A. No, they could not.

Q. You say that is pretty accurate? A. Yes.

Q. Would you also say that if you had access to the volume figure for each union firm for each year that it might assist you in some regards in determining who was contracting? A. No.

Q. It would not at all? A. Not at all.

Q. The volume figure for a given firm in terms of fur garments it produces and sells would not help you determine who is giving out work? A. It would tell you what his sales are; it would (1255) tell you what his sales are; it would not tell you that he does extensive jobbing, which is very possible. You would have to once again—and here



*George Stofsky—for Defendants—Cross*

is where we get into difficulties—it depends on the line of work. There are lines of work where you need one cutter for each operator, two cutters sometimes for each operator; there are other lines of work where one cutter will take care of six, eight, ten operators. The volume itself is not the answer to the question. You need much more than that.

Q. Mr. Stofsky, who is Artie Shifrin? A. He is a business agent.

Q. Does he have any other duties? A. He helps in going through of firm's books.

Q. He makes book analyses for the union? A. He tries his best.

Q. In fact, one of his work products is an exhibit in this case? Isn't that right? A. Yes, sir.

Q. The work papers on the Daniel Fur firm? Do you recall that? A. Yes, I do.

Q. Isn't it a fact, Mr. Stofsky, that the contract now provides and has for some time that the union shall have access to a firm's books? (1256) A. Yes, it does.

Q. You have told us now that there is some relationship between the number of mechanics and the total volume of goods manufactured that a manufacturer will produce in a year? A. Of course, yes.

Q. Now, is it your testimony that during the years '65 through '71 you personally had very little knowledge of the number of people employed at the Daniel Grossman firm? A. Yes, that would be accurate.

Q. Is that true? A. Yes, that is true.

Q. You also said before that at least during part of that period Mr. Hoff was the business agent for that firm? A. Yes, he was.

Q. Would it be a fair statement to say that it is very likely Mr. Hoff visited that shop from time to time? A. I am sure.

*George Stofsky—for Defendants—Cross*

Q. It's likely other union officials visited that shop from time to time? A. No, that is unlikely.

Q. It is unlikely that Mr. Shifrin ever visited the (1257) shop? A. It's possible, but it is unlikely.

Q. Now, these visitation rights on the part of a business agent are provided for in the contract, are they not? A. Yes, sir.

Q. And a business agent would probably be up to his shop several times a week in some cases? Isn't that right? A. I doubt that any business agent, unless there is a very special problem in the shop, would have time to visit one shop several times a week.

\* \* \* \* \*

(1266) \* \* \*

Q. Mr. Stofsky, when did you first meet Jack Glasser?

A. When I first got on the staff of the union.

Q. That was approximately when? A. 1955.

Q. So is it fair to say that from 1955 to 1970 you had occasion to see him quite frequently in the marketplace?

A. No. Occasionally. I didn't have much contact with him.

Q. Well, would you say that you saw him at least once a week during those years? (1267) A. No, I would not.

Q. How often do you think you saw him? A. It could—weeks could go by when I wouldn't see him at all and then possibly I would see him once or twice a week, depending upon what was happening.

Q. So if I said that you saw him perhaps a dozen times a year, would I be far from accurate in that respect? A. No, you would be correct.

Q. About that much; maybe on an average of once a month? A. A little bit more than that.

Q. Now, apart from your contact in the marketplace, did you have any other relationship with Glasser? A. None whatsoever.

*George Stofsky—for Defendants—Cross*

Q. In other words, you didn't have any social relationship of any kind with him? A. No, sir.

Q. You never had dinner with him? A. No.

Q. Did you ever have lunch with him? A. Possibly.

Q. Did you ever have any business relationship other than that which flowed from your duties as manager and his duties as labor adjuster for the trade association? (1268)  
A. No.

Q. In other words, you never had any independent relationship; is that correct? A. None whatsoever.

Q. He never borrowed any money from you for anything like that, did he? A. No.

Q. Did he ever work for the union? A. No.

Q. Say that again, I'm sorry. A. No.

Q. Would you tell us again about Mr. Glasser's request of you to meet with him on April 4, 1972? Tell us the circumstances of that. Do you remember you told us yesterday you were at Mr. Hecht's office? A. Yes.

Q. Can you tell us what you were doing there; that is at Mr. Hecht's office? A. We were discussing some problem or other. I don't recall precisely what. It had something to do with the union association, the industry, that kind of thing.

Q. Was it common practice for you to visit Mr. Hecht at his office? (1269) A. Yes.

Q. Was anyone else present at this time? A. No.

Q. Just the two of you? A. Yes.

Q. Did the phone ring while you were present in his office? A. Yes.

Q. Tell us what took place thereafter. A. I think that Mr. Hecht answered the phone and said it was for me. There are two phones in that room, one on his desk and one on the little table. I picked up the phone and the switchboard operator said, "It's Jack Glasser. He wants to speak to you." I got on—rather, he got on and he said that he

*George Stofsky—for Defendants—Cross*

wanted to—that he had been to see Mr. Hinckley, the United States Attorney, and he wanted to meet with Mr. Hecht and myself. I asked him to hold on a second. I told Mr. Hecht what Mr. Glasser had said and he said, "Fine, ask him to come down," or something of that sort. I told Mr. Glasser. He said he couldn't, he wasn't feeling well enough, could we come and see him near his home.

Q. He said he wasn't feeling well, that's why he wanted you to come up there? (1270) A. Yes.

Q. Let me interrupt you for a second. Did he ask only to see you and Mr. Hecht? A. Yes.

Q. Just the two of you? A. Yes.

Q. He didn't ask to see Mr. Hoff? A. No.

Q. Or Mr. Gold? A. No.

Q. Okay, would you please continue the conversation. A. I asked Mr. Hecht—I told him what Mr. Glasser had said, had requested, and Mr. Hecht said he couldn't go anywhere. This was some time in—I guess it was in the middle of the afternoon. He said he couldn't go anywhere because they had a board of directors' meeting that night. He said, "Why don't you find out what he wants." So, I got back on the phone, told Mr. Glasser that Mr. Hecht couldn't make it. He asked me to come out and I said okay. I said, "Let me take your phone number, because I don't know my way around there and I will see if I can get ahold of Al Gold and you will tell him where and how to get there." That was the extent of the telephone conversation.

Q. Glasser gave you his phone number; is that (1271) accurate? A. He must have, yes.

Q. And you contacted Mr. Gold? A. Yes.

Q. Your best recollection is that Mr. Gold phoned Mr. Glasser? A. He must have, yes.

Q. In other words, you didn't know where you were going until you got there? A. I knew I was going to Queens.

Q. You didn't know where in Queens? A. Not precisely, no.



*George Stofsky—for Defendants—Cross*

Q. That information Mr. Gold had; is that correct? A. I believe so.

Q. Pursuant to what you believe was a phone call from Mr. Glasser? A. Yes.

Q. Now, prior to April 4, 1972, when was the last time you had spoken to Mr. Glasser? A. I think that we had a phone conversation shortly before that, but the last time prior to that was right after he was fired.

Q. That would have been some time in the fall of 1970? A. Yes.

(1272)

Q. Now, you say you had a conversation on the phone just prior to the April 4th conversation? A. I believe I did.

Q. Do you recall what that was about? A. I am very hazy about it. I am just not sure, but I think he called me and I believe he said something about—once again, about going down to—he has been called down by—I guess it must have been Mr. Hinckley. If there was that conversation, that's what it was about. I have some recollection of it.

Q. This prior call now that you are hazy about, it is your best recollection now that he told you he had been down to see Mr. Hinckley? A. It's possible that that's what happened. I really wouldn't want to commit myself fully to it. I seem to have a recollection about that.

Q. Do you remember where you were when you got that phone call? A. No, I don't. I think probably in my office.

Q. Do you remember how much before April 4th that phone call was received? A. No, I don't.

Q. You have no recollection at all? A. No.  
(1273)

Q. Could it have been a few days? A. It could have been. If I would remember, I'd say.

Q. Could it have been as much as a month or two months before? A. No, I don't think so.

Q. It would have been much shorter than that? A. Yes.

*George Stofsky—for Defendants—Cross*

(1274)

The Court: Let me interrupt a moment. I have two questions.

When you were meeting with Mr. Hecht at the office of the Association when Mr. Glasser called, what date was that?

The Witness: That was April 4, your Honor.

The Court: Who is Mr. Hecht again?

The Witness: The executive vice-president of the Associated Fur Manufacturers.

By Mr. Sabetta:

Q. You testified that roughly a dozen or slightly more times a year you would meet with Mr. Glasser from the period of time when you entered the union till 1970, when you left the marketplace. A. Mr. Sabetta, I would not meet with Mr. Glasser. He might have been at a meeting that was taking place between the Association and the union. I never had meetings with Mr. Glasser.

Q. You never had any specific meetings where you and he were the parties to some kind of transaction or business?

A. Not that I recall, no. He may have called me on a rare occasion when a business agent turned down an overtime request in a shop and asked me to try to get overtime for a particular shop. That would be the extent of his (1275) dealings with me as an Association representative.

Q. Well, would you say that you never met with Mr. Glasser for more than 10 or 15 minutes or something like that? Is that what you are saying? A. We may have been together at meetings that lasted for hours.

Q. But your best recollection is that you did not meet with Mr. Glasser as such for that length of time, but, rather, that you were both present at a meeting of a larger group of people? A. Yes.

\* \* \* \* \*

*George Stofsky—for Defendants—Cross*

(1278) \* \* \*

Q. Do you recall ever discussing with Mr. Glasser what penalty, if any, should be assessed a manufacturer for any violation of the contract or alleged violation? A. No, and it would be totally out of place for that kind of conversation to take place. If anyone would speak to me about that kind of thing, it would be Mr. Hecht.

Q. So that your best recollection now is that Mr. Glasser did not have any such conversation with you? A. It just wouldn't happen, Mr. Sabetta. It is not the way that the operation goes.

\* \* \* \* \*

Q. Now you, in fact, did drive up with Mr. Gold (1279) to Tiffie's Restaurant? A. Yes.

Q. And that was later on, on April 4th? A. Yes.

Q. Approximately what time would you get up there? A. It must have been the late afternoon.

Q. Was Mr. Glasser there when you got there? A. I don't remember. He might have been. If he wasn't, he got there right after we got there.

Q. So just the three of you, Mr. Gold, yourself and Mr. Glasser? A. Yes.

Q. How long did the meeting last? A. 20 minutes.

Q. Tell us what was said by each of the parties present on that occasion? A. Mr. Glasser said that he had been interviewed by Mr. Hinckley, the United States Attorney.

Q. Did he say when? A. He said earlier that day.

Q. That same day? A. Yes. He said that Mr. Hinckley knew that he had been fired from the Association for taking money from employers and that he had big problems about income taxes (1280) or something of that sort. He said that he needed a lawyer very badly and could I help him get a lawyer. I told him that the only lawyer that I knew was Harold Cammer, who was the labor lawyer for our union for many, many years, and that I didn't think that

*George Stofsky—for Defendants—Cross*

this was the kind of thing that Mr. Cammer does, it is not the kind of work that he does.

He kept talking about it. I guess I must have said to him, "What is upsetting you about this?" And he just kept saying the same thing and insisting that we help him get a lawyer.

He also said that he is not the only man in the Association who has done this kind of thing and he will say about other people if he feels that it is necessary to help himself.

Q. Did Mr. Gold say anything during this meeting? A. I don't remember him saying anything, except, "Calm down," or something of that sort.

Q. Did Mr. Gold leave the table and make a phone call at your request? A. Yes.

Q. Did he call Mr. Cammer? A. Yes, he did.

Q. Was he successful in reaching him? (1281) A. No. Mr. Cammer had left for the day.

Q. Did he place any other phone calls? A. No, sir. He spoke to Mr. Cammer's partner or associate, Mr. Shapiro.

Q. When Mr. Gold came back to the table what did he say? A. He said that Mr. Cammer was not in and that Mr. Shapiro had given him his home phone number, if he wants to reach him later that night.

Q. Was that phone number given to Mr. Glasser? A. It may have been. I don't recall.

Q. Do you know whether Mr. Gold later called Mr. Cammer? A. I believe he did.

Q. Was it from Tiffie's Restaurant? A. Oh, no.

Q. From another location? A. I don't know from where.

Q. You were not present at that time? A. No, I was not.

Q. Did Mr. Gold later report to you that he had made such a phone call to Mr. Cammer? A. I don't think he did. I think I heard about it later on from Cammer.

(1282)

Q. Mr. Cammer told you he had received the phone



*George Stofsky—for Defendants—Cross*

call at his home in Manhattan from Mr. Gold? A. That is right.

Q. Late on April 4? Is that correct? A. Yes.

Q. Now, at the time of this meeting at Tiffie's Restaurant were you familiar with the name of a lawyer by the name of Irving Anolik? A. No.

Q. Never heard that name before? A. Not until this trial.

Q. Had you ever spoken to Mr. Hoff about Mr. Hoff's visit to Mr. Irving Anolik? A. No.

Q. Had Mr. Hoff ever told you he had made such a visit to a lawyer? A. No.

Q. Mr. Hoff was the assistant manager in 1970? A. Yes, sir.

Q. Did Mr. Glasser say he had in fact been receiving moneys from manufacturers? A. Not directly, just by his statement about others in the Association.

Q. You mean he said others had been receiving money? (1283) A. That is what I understood him to say.

Q. Well, didn't you just say before that he said that not only he, but also others in the Association had been receiving money from manufacturers? A. He said other people were doing what he had done, that kind of statement.

Q. Which was taking money? A. I knew why he had been fired.

Q. How did you know that? A. It was a well known thing in the industry.

Q. As of when did you first learn he had been fired? A. Probably the day after it happened.

Q. Do you recall who told you about that? A. Not specifically, but there were manufacturers who were present. There was a committee of manufacturers that actually met on this question. It was not something that was secret in any way.

*George Stofsky—for Defendants—Cross*

Q. You mean members of the board of directors of the Association? A. They were probably board of directors members, yes.

Q. Why was it they met? A. As I understood it, he had taken money from (1284) manufacturers.

Q. Do you know which ones? A. I know now. I didn't know then.

Q. When you first heard he had been fired you didn't hear him mention the names of any of the manufacturers who had given him money? A. No, I did not.

Q. Did you later learn who they were? A. Yes, much later, yes.

Q. Do you know now who they were? A. Yes, I do.

Q. Who were they? A. I understand there is a man named Sherman, Corinna, Schwartzbaum, Baker, Chateau Creations, a man named Hessel.

Q. Did Mr. Glasser ever tell you the reason the manufacturers were paying him money? A. Mr. Glasser?

Q. Yes. A. Never.

Q. Did any of the members of the executive committee of the Association tell you why he had been receiving money? A. No, they did not.

(1284A)

Q. Did you ever inquire of any of the manufacturers that you just mentioned why they had been paying him money?

A. No, I did not.

(1285)

Q. On April 4, 1972, you never asked Mr. Glasser why he had been receiving and accepting these moneys? A. No, I did not.

Q. Did you ever ask Mr. Glasser on that evening, April 4, for a list of contractors that these various manufacturers might be using? A. The subject matter never came up.

Q. Do you have something else to say? A. No.

Q. Did you ever commence an investigation of your

*George Stofsky—for Defendants—Cross*

union personnel in or about this time to see whether any of the moneys had passed from Mr. Glasser to them? A. I did not conduct an investigation. I made some inquiries about it, not at that time.

Q. Did you ever ask Mr. Glasser on that occasion or any subsequent occasion whether any union officials were involved in this matter? A. No, I did not.

Mr. Abramowitz: Which occasion?

Mr. Sabetta: April 4, 1972. May I have one minute, please, your Honor? (Pause.)

Q. Mr. Stofsky, you were aware, were you not, in April of 1972 that numerous manufacturers were giving (1286) out work in violation of the provision against contracting? A. Mr. Sabetta, some manufacturers give out work. The overwhelming majority of them do not.

Q. My question is: Were you aware in April of 1972 that some manufacturers were giving out work in violation of the contractor clause against contracting? A. It may be——

Mr. Abramowitz: I think the question before was numerous, your Honor.

Mr. Sabetta: Some and numerous.

Q. You choose which word you like. Did you have any knowledge that any manufacturers were giving out work in violation of the clause of contracting in April of 1972? A. I would believe that there are some manufacturers who signed an agreement with us that they will not do it and are doing it an hour from then. It's just that kind of a thing. There are always some manufacturers who seek to get an edge, who seek to cheat. Most of them do not.

Q. Would I be accurate in saying that the answer to my last question was yes? A. I'm not sure because I don't recall the specific (1287) question.

*George Stofsky—for Defendants—Cross*

Q. My question is whether in April of 1972 you had knowledge that any manufacturers were giving out work in violation of the caluse against contracting? A. I had suspicion of manufacturers doing that. It's my job to be suspicious of any and all.

Q. Let's, for instance, address ourselves to the firms operated by Mr. Grossman during this period. Would you say that your suspicion arose to the level of knowledge with respect to his firm? A. I have always believed that Mr. Grossman gave out work. I have never believed that Mr. Grossman could conduct a legitimate shop and keep his word about the agreement. That's been his history and his father's before him.

Q. Were there any other manufacturers who, in your view, were in a similar category? A. Yes.

Q. About how many of those would you say there were? A. Several

Q. Several? A. Yes.

Q. Would you say less than half a dozen? (1288) A. I would approximate it at that. There are people who are chronic violators.

Q. In fact, I believe you said in your direct testimony that on the average there are some 35 complaints a year filed for contracting; isn't that so? A. No, no. There are probably 100 complaints or possibly more filed. I said that there are between 25 and 35 on an average that go before the impartial chairman, but there are many more filed.

Q. Approximately how many would be filed? A. I would estimate around the figure of 100.

Q. You are aware of these complaints, are you not, shortly after they are filed, if not at the very time they are filed? A. No, I'm not necessarily aware of them. I know that in a general way it's going on, but I wouldn't know the specific complaint.

Q. Don't you get information from your business agents



*George Stofsky—for Defendants—Cross*

and the assistant managers as to which firms are alleged to have been contracting? A. No.

Q. It is accurate to say that in your direct testimony you described the practice of contracting as a great evil so far as the union is concerned; is it not? (1289) A. Yes, it is, as far as the industry is concerned, not only the union.

Q. And you are and have been for some time the manager of the union; are you not? A. Yes.

Q. Is it your testimony here under oath that with respect to this great evil of contracting, you had only peripheral knowledge of the filing of complaints against the various manufacturers?

Mr. Abramowitz: I object to the characterization of that question, your Honor.

The Court: Overruled.

A. I would not have specific knowledge of individual complaints filed by business agents on this subject or on any other complaint, and there are thousands of complaints that are filed during the course of a year. This is just one category.

Q. Isn't the practice of contracting probably the most serious violation of the contract so far as the provisions for penalties are concerned? A. It may have in the language of the agreement higher sanctions than other provisions, but it isn't necessarily the only evil that exists.

Q. We are prepared to accept that. You have made (1290) that clear. Is it not true that the evil of contracting is one which the union has waged war against for half a century now? A. Yes.

Q. It's given a lot of attention by the union, is it not? A. As much as we can, Mr. Sabetta. We are not unlimited in our resources. We only have a handful of people that have to go into hundreds of nooks and crannies and cellars and all kinds of places. We really—I don't want to give

*George Stofsky—for Defendants—Cross*

you the impression, Mr. Sabetta, that we have an army in this market. We have got one man and a handful of business agents, and the greatest help that we get is the information from our shop chairman, from workers in the shop who tell us what they know is going on.

Q. From January 1 through April 4, 1972 do you recall having had any conversations during that period with any official of the union wherein you were advised that some firm either was or had been alleged to be giving out work in violation of the contracting provisions? A. January 1 to April 4, '72?

Q. Correct. A. There might have been.  
(1291)

Q. As a general practice, would you say that during each week of that period, 1972, you at some point had a conversation with some other official about the evil of contracting? A. No.

Q. In other words— A. That would not happen.

Q. This is a subject that could go unmentioned from week to week, is that correct, so far as you are concerned? A. It's a subject that everyone knows exists and there is no need for us, you know, to beat on it, to harp on it and talk on it. It's part of the daily job. It's not anything extraordinary for this thing to get special discussions every day.

Q. What actions are taken by the union to eradicate this evil? A. We try the best we can. I think that the most important thing that we do in so far as contracting is concerned is to place additional workers in a shop so that an employer does not have an excuse that he has to have the extra work done outside, that he doesn't have sufficient staff to do it inside.

Q. My question is—  
(1292)

Mr. Abramowitz: Let him finish the answer, your Honor. I don't think he finished his answer.

*George Stofsky—for Defendants—Cross*

Q. Are you finished with your answer? A. All right.

Q. My question is a little different. I am asking you how do you bring a manufacturer to that state of mind where he's willing to accept additional workers?

Mr. Abramowitz: I object to the form of that question, your Honor.

Q. Do you understand the question, Mr. Stofsky?

The Court: Overruled.

A. I think I understand it.

Q. Let me lead you a little here and ask you whether or not you used picketing, for instance, and strikes and other forms of union activity to combat the evil of contracting? A. We can't use it loosely, Mr. Sabetta. We have—

Q. That is not my question. My question is: Do you use these forms at all? A. I must explain that we have a no-strike clause in the contract.

Q. I'm—(1293) A. We would like to use it a lot more than we do, but we can't.

Mr. Abramowitz: Your Honor, Mr. Sabetta keeps interrupting the witness.

Mr. Sabetta: With all due respect, your Honor, I don't think the answers are being responsive in many cases.

The Court: Mr. Stofsky, will you pay careful attention to the specifics of the questions asked and try to address yourself just to the question which is being asked.

The Witness: Yes, sir.

Q. Does the union employ strikes and picketing, other activities, in order to enforce the contracting provisions

*George Stofsky—for Defendants—Cross*

of the collective agreement? A. Yes, when we are allowed to.

Q. That sometimes includes picketing and strikes against union manufacturers? A. When they are—when they may be suspended from the union contract, yes.

Q. And it also includes strikes and picketing against the contractors, doesn't it? A. From time to time.

Q. As a matter of fact, isn't it a fair statement (1294) to say that there is almost a strike going on at all times against some contractor in the marketplace? A. No, that is not so.

Q. Would you describe the union pressures against contractors as constant pressures? A. No.

Q. Has the union ever been more active against the evil of contracting that it is now, in your judgment? A. No, I don't think so. Maybe different activities. It varies because things do change. The contract itself, the language of it changes, and, therefore, we have to change in various respects.

\* \* \* \* \*

(1297) \* \* \*

Q. So when it says that this constant pressure continued all year with the result that several of these shops simply closed their doors for good, you would accept that statement as accurate? A. Yes, I would. May I explain it, Mr. Sabetta?

Q. Well, you would accept it as accurate, is that right? A. Yes, I would.

Q. What is it you want to explain? A. I want to explain that this is part of the activity. There will be times, and it may happen a month or two from now, when we will ask the assistance of the membership, especially the shop chairman and active workers at the union to help us in this thing that is going on and going on for 50 years and



*George Stofsky—for Defendants—Cross*

we will make a drive. Now, those kind of drives are not sustained on a constant basis. It's not possible to ask workers to come down every night of the year to help in this kind of activity. We do it and what happens is that after a few days you stop doing it, and then you will do it again a day later, a month later, and that's the way that it goes because if the contractors (1298) know that the union people are out in the market watching for them, they just don't show. It's as simple as that, and for us to be doing this every day would certainly not be fruitful.

\* \* \* \* \*

(1299) \* \* \*

Q. In fact, you told us earlier that business agents visit not only union shops, but also the non-union contractors; isn't that right? A. Business agents have the responsibility of visiting every shop in the building that they service.

Q. Whether it's a party to the contract or not? A. That's correct, but they don't always get into every shop. Most contractors will not allow a business agent in their shop to speak to workers.

(1300)

Q. Do you remember the testimony of Mr. William Poulos in this courtroom a day or two ago? A. Yes, I do.

Q. Did you know in 1971 and '2 that he was a contractor? A. I probably did, yes.

Q. In fact, did you know earlier than that that he was a contractor? A. I'm sure I did, yes.

Q. Did you know that he was a contractor for Mr. Grossman? A. No, I did not.

Q. You never knew that? A. No, sir.

Q. Did Mr. Gold ever tell you that he had visited Mr. Poulos' shop? A. No.

Q. Did he ever tell you he had seen the seals of Daniel Grossman's firm on skins in Mr. Poulos' shop? A. No.

Q. Did you ever ask Mr. Gold to try to find out who

*George Stofsky—for Defendants—Cross*

Mr. Grossman's contractors were during that period? A. Not specifically. That's Mr. Gold's job, whether it's about Grossman or any other firm in the industry.

(1301)

Q. You never give Gold any directions or make any requests of him; is that right? A. From time to time I would, yes.

Q. But you never asked him to check out Mr. Grossman, who was an arch violator of this contracting provision?

Mr. Abramowitz: Your Honor, I object to the form of that question.

The Court: All right, sustained.

Q. Was Mr. Hoff the business agent for Mr. Grossman's shop? A. Yes. In recent years.

Q. How many shops does Mr. Hoff have within his jurisdiction as business agent? A. He does not have very many because he has many other responsibilities that prevent him actually from having more shops to service. He has a handful of shops, probably.

Q. Having accepted that, what would you say the number is, as best you know? A. It is probably a handful. I know he is the business agent of the president of the association, Mr. Gentel. He is the business agent of Grossman, which is now a different firm. He is the business agent of a firm named (1302) J. Weinek, a very important firm, Neustadter, another very important firm. I think Radley. There may be a couple of others.

Q. So, approximately a half dozen or so? A. There may be a few more.

Q. Give or take a few? A. Yes.

Q. These firms are probably at the end of the spectrum in terms of the volume that are produced; they are the larger firms and they produce the larger volume? A. For the most part, yes.

*George Stofsky—for Defendants—Cross*

Q. Perhaps two million dollars and up? A. I don't know their business, Mr. Sabetta.

Q. Now, during this period of the mid and late '60s and early '70s, did you ever ask Mr. Hoff to find out who Mr. Grossman's contractors were? A. There was no need for me to ask Mr. Hoff or anyone else that.

Q. No, Mr. Stofsky. If you will listen to my question. A. No, I did not.

Q. You didn't ask him? A. No, I did not.

Q. Did you ever ask Mr. Hoff to conduct a book (1303) investigation of Mr. Grossman's firm? A. No, I did not. Mr. Hoff knows what has to be done and does it.

Q. What access does the union have to a firm's books—a union firm's books? A. At present?

Q. Let's start with the present and go back. A. At present we have access to almost all pertinent books and records. That was not always so.

Q. What was the truth with respect to this issue in the period of '69 to '72 under the earlier contract? A. Probably, for the most part, similar to the current contract.

Q. What about the contract immediately preceding that one? A. I think that we were restricted somewhat, a little bit, in there.

Q. In what? A. It's improved. I don't recall specifically. I remember that when we started, we could not look at a single book of a firm unless a contractor were caught red-handed on his premises.

Q. You are talking about 25 years ago now? (1304) A. No, I am not talking about 25 years ago.

Q. I am talking about the period of '65 through '69. I believe that was the contract immediately preceding. A. In each contract, Mr. Sabetta, this has been one of the things that we have really tried very hard to tighten up on, because every time we approve a contract, those employees who want to cheat find a new way of doing it, and, you know, it's never ending.

*George Stofsky—for Defendants—Cross*

Q. Now, how often would you say a firm's books are checked by the union? A. There is absolutely no regularity about that.

Q. When does the union obtain the right to review a firm's books; what conditions must exist before a union can claim that right? A. The union must file an official complaint specifying the nature of the complaint under the terms of the agreement.

Q. So that once a complaint is filed, the union then has the right without anything further to examine a firm's books as provided in the contract; is that correct? A. Yes.

Q. It need make no showing beyond that; is that correct? (1305) A. At present, yes.

Q. How often does the union avail itself of this right under the contract to examine a firm's books when a complaint for contracting is filed?

Mr. Abramowitz: Now?

Q. Let's start with now. A. There is absolutely nothing regular about this. There may be examinations of some firms every five, ten years. There is nothing regular about this. It is not a procedure.

Q. Is it your testimony that with the filing of contracting complaints, there is no way to determine how often the union will look at the books of that firm? A. Mr. Sabetta, contracting complaints are filed on many occasions purely for the purposes of going up to an employer and having something to give him a hard time about in order to try to get him to take up an additional worker or something of that sort. They are filed just for that purpose by some business agents. It's a technique.

Q. Do you have to authorize a book investigation or can a business agent make that judgment on his own? A. He does that on his own.



*George Stofsky—for Defendants—Cross*

Q. Now, let's say with respect to the year 1972 and 1971, in your experience during that period, how often did (1306) the union take advantage of this right to examine a firm's books after the filing of the complaint? A. I have no idea.

Q. In other words, you couldn't say whether it was 1 per cent of the time or 100 per cent of the time or anything in between? A. I know it couldn't be 100 per cent of the time because I know how those complaints are made and why, many times, they are made.

Q. Can you inform the court and the jury about what percentage of the time the union would avail itself of this right, in such situations? A. I cannot. I do not know.

Q. You wouldn't know whether it was 50 per cent or 10 per cent or 75 per cent? A. No, I don't know.

Q. You have no idea whatever? A. No, I do not.

Q. Do you remember when I asked you earlier if you recall testifying in the grand jury in March of 1972? A. Yes.

Q. You recall that, don't you? A. I do.

Q. Now, page 11, counselor, do you recall being (1307) asked this question and giving this answer—or questions and answers, rather, on that occasion:

“Q. When a person is caught contracting and the union brings a charge of contracting, does the union have the right to examine the books of the manufacturer? A. Yes.

“Q. And how often does the union examine those books? A. Well, there is no periodic examination. Invariably if there is—

“Q. No. Let me clarify the question. I meant what per cent of the persons that are caught contracting are their books examined? A. I would say almost all.”

Do you remember being asked those questions and giving those answers? A. Yes. That's a different thing. That's when you are caught, Mr. Sabetta, not just the filing of

*George Stofsky—for Defendants—Cross*

the complaint. When a firm is caught, invariably the books are examined.

Q. Is that your testimony under oath; each time a firm is caught, the books are examined? A. No. Not each and every time. There will be occasions when you will catch a firm who gave out a garment to be finished, or something of that sort, and it (1308) will be settled on the spot in terms of the firm saying, okay, I admit that I did it and if you send me up another finisher, that won't resolve the problem, and it is resolved in that way in many instances.

Q. Now, would you say that in 1967 you had knowledge or reason to believe that the firm of Grossman was contracting? A. I have been suspicious of Grossman all the time.

Q. In fact, the union was so suspicious that it filed numerous complaints against Mr. Grossman and his firm for contracting; isn't that right? A. That is probably true.

Q. In 1967 the union was so suspicious it filed a complaint and it actually fined Mr. Grossman, do you remember that? A. The union does not fine Mr. Grossman. An impartial chairman fines him.

Q. The union prosecuted that complaint, did it not? A. That's correct.

Q. And it appeared before the impartial chairman and urged its case on the impartial chairman, did it not? A. That's correct.

Q. As a result of that Mr. Grossman was fined \$150; is that correct? (1309) A. So I understand.

Q. Now, isn't it true that no book investigation was made of Mr. Grossman's firm in 1967 with the filing of that complaint? A. I don't know.

Q. You don't know? A. No.

Q. The union had a right to conduct an investigation; is that right?

*George Stofsky—for Defendants—Cross*

(Pause)

Mr. Sabetta: Was there an answer?

The Court: Read it back.

(Question read.)

Q. Would you answer that? A. Yes.

Q. In fact, every time a complaint was filed against Mr. Grossman for contracting, the union had that right; isn't that right? A. Yes.

Q. In 1966; isn't that right? A. Yes.

Q. In 1967; isn't that right? A. Yes.

Q. In 1969; isn't that right? (1310) A. Yes.

Q. In 1970; isn't that right? A. Yes.

Q. Now, you said yesterday that there are various means by which a manufacturer attempts to conceal the fact that he is contracting out work; is that right? A. Yes, sir.

Q. You said that sometimes the manufacturer will show on his books the purchase of garments rather than the purchase of labor; isn't that right? A. That's correct.

Q. Having been in the market for many years you are familiar with the names of many contractors, aren't you? A. No, I am not.

Q. Is it fair to say that someone like Mr. Schefflin [*sic*] [Schiffrin] who examines books quite regularly for the union would be familiar with many of the names of the contractors? A. I would hope so.

Q. Isn't it also true to say that a person like Mr. Gold, whose job it is to pursue contracting, would have such knowledge? A. Yes.

Q. Now, in those instances where a union (1311) manufacturer buys completed garments from a non-union shop, at least so far as the books would show, does that constitute any violation of the contract? A. Yes.

*George Stofsky—for Defendants—Cross*

Q. That is a violation of the contract; isn't it? A. Yes.

Q. And a complaint can be filed for that purpose? A. Yes.

Q. That's jobbing, which is illegal under the contract, isn't it? A. No, sir. It is not illegal under the contract. There are——

Q. When you buy a completed garment from a non-union shop, is that permitted under the union contract? A. No, it is not.

Q. So that's improper so far as the contract goes? A. Yes.

Q. And you are penalized if you are a manufacturer if you are caught doing that; is that right? A. The impartial chairman can penalize you.

Q. The union can file a complaint and prosecute that matter, can they not? A. Yes.

Q. So, even in those instances where the manufacturer (1312) is concealing the true nature of what it is he is buying, if the union accountant or business agent recognizes the name of the contractor with a reference to the purchase of a garment, he is able to file a complaint for a violation of the contract, isn't he? A. He is able to, yes.

Q. Do you know whether that was ever done with Mr. Grossman? A. No, I do not.

Q. Did you ever ask Mr. Hoff about that? A. No, I never have.

Q. Now, in addition to union employees who police the contracting provisions, isn't it also true that employees of a manufacturer's shop sometimes make complaints against manufacturers for giving out work? A. Oh, yes.

Q. Isn't it also true that other union manufacturers sometimes bring information to the attention of the union? A. They do.

Q. So, as far as the sources of your knowledge are concerned, it is not restricted solely to union officials and employees; isn't that right? A. That's right.



*George Stofsky—for Defendants—Cross*

Q. Isn't it a fact, Mr. Stofsky, that some violators (1313) of the contracting clause are notorious for their violations of that clause? A. Some are pretty bad, yes.

Q. Isn't it an open secret that some of these larger manufacturers are giving out work as far as they can? A. No, sir. It is not an open secret.

Q. Aren't there many shops that you now know are giving out contracting on a substantial and large scale? A. Mr. Sabetta, having suspicion and being able to go before an impartial chairman and prove it are just not the same thing.

Q. Well, you don't have to pass before any grand jury, do you, before you file a complaint for contracting? A. No, you don't, but you have got to get the right set of books and if a company keeps four and five and six different sets of books and has one prepared for the union, you will have a very difficult time establishing what in fact business he does do.

Q. But there is no doubt about the fact that the union could file a complaint against every manufacturer they suspected of contracting and then asked to see his books and make a book analysis; isn't that right? A. Yes, it is. 590-some complaints, yes.

(1314)

Q. Isn't that right? A. Yes, that is true.

\* \* \* \* \*

(1315)

Q. In fact, after Mr. Glasser left the market, the union was successful in proving substantial contracting violations against some of these firms, isn't that right? A. I don't know if he left—you know, precisely when you mean. Do you mean after he was fired?

Q. That's right. A. The answer is we have had some, yes.

Q. Well, isn't it a fact, Mr. Stofsky, that in June of

*George Stofsky—for Defendants—Cross*

1971 Chateau Furs received two complaints for contracting and was thereafter fined \$2,500 and ordered to take on six additional workers? A. I believe that is a fact.

Q. That's a fact, isn't it? A. I believe it is. I haven't checked that out thoroughly. I take your word for it.

Q. Now, with respect to the period of 1967 through the time Mr. Glasser left the market, do you know whether any complaint was ever filed against Chateau Furs? A. I don't know, but in response to your question yesterday I asked someone to make some notes for me. If you would allow me to look at them.

\* \* \* \* \*

(1316) \* \* \*

Q. Now, with respect to the firm of Chateau Furs—do you remember them? A. Yes.

Q. They were not even furriers; isn't that right; A. That's right. They make fake fur, imitation.

Q. I want you to direct your attention to the period of '67 through August of 1970 when Mr. Glasser left the market and tell me whether insofar as your records will reflect any complaints were filed against Chateau Furs. A. I did not do that, Mr. Sabetta. I restricted myself to the contracting complaints, not any complaints.

Q. That's what I am talking about. Thank you for (1317) the correction. I am talking about contracting complaints. A. Yes.

Q. With respect to that period, were any such complaints filed? A. '67 to when?

Q. Through '70 when Glasser left the market in August. A. I don't have anything on that.

Q. No fines were imposed? A. No.

Q. Now, direct your attention, please, to Daniel Furs. A. I'm sorry, I don't have that one.

Q. You don't have Daniel Furs? A. No.

*George Stofsky—for Defendants—Cross*

Q. Do you have any knowledge that Daniel Furs in 1969 was fined by any source, the union or the impartial chairman? A. No, I do not.

Q. Directing your attention to the Baker firm. Do you have a sheet on that one? A. I think I should have it. It may not be in this batch. If you will permit me.  
(1318)

Q. Yes. Do you have the Baker firm there? A. Yes.

Mr. Sabetta: May we just add this, your Honor, as part of the other exhibit?

The Court: Yes. How many pages is 57?

Mr. Sabetta: One, two, three, four and now a fifth page labeled Baker.

May the record reflect I am stapling this last page and it will become part of 57 for identification.

(1319)

Q. Now, addressing yourself to the Baker firm, were there any complaints filed against Mr. Baker for contracting in 1968, '69 and '70, up until August of 1970? A. No, there none.

Q. And after Mr. Glasser left the market in August of 1970 were any complaints filed against Baker? A. I have one here for October.

Q. And that resulted in a \$500 fine? Isn't that right? A. Yes.

Q. Does that, incidentally, Mr. Stofsky, help refresh your memory about whether Mr. Baker was fined \$500 in 1970? A. This says so. I am sure he was.

Q. Do you remember I asked you a series of questions yesterday about Mr. Katcher and yourself regarding the Baker firm? A. Yes.

Q. Does that help refresh your memory as to how the fine was arrived at? A. Not at all.

Q. Your recollection is Mr. Katcher still had no deal-

*George Stofsky—for Defendants—Cross*

ings whatever with regard to the dispute and settlement?

(1320) A. Not with me.

Q. Not with you? A. No, sir.

Q. You are certain of that? A. Absolutely.

Q. Now, addressing yourself to the Schwartzbaum firm

— A. Yes?

Q. Were any complaints filed against Mr. Schwartzbaum for contracting in 1968, '69, '70, up through August, when Mr. Glasser left the market? A. There is a strike in May of 1969.

Q. Is this with respect to contracting? A. It is either with respect to contracting or importing of garments.

Q. Doesn't your record reflect what it is? A. I don't have that on here. I know it was one or the other.

Q. Well, I think yesterday you testified it was importing. Is that accurate? A. It is either one or the other, yes.

Q. I am asking you now whether yesterday you testified it was for importing? A. Very probably.

(1321)

Q. Did something happen overnight to alter your recollection as to that? A. No, Mr. Sabetta.

Q. Now, in September, specifically, September 18, 1970, after Mr. Glasser had left the market were any complaints filed against Schwartzbaum for contracting? A. Yes.

Q. As a matter of fact, the firm was fined \$3500 and directed to take on six additional workers? Isn't that right? A. That is right.

Q. I direct your attention to the Corinna Fur firm? A. Yes.

Q. With respect to the period '68, '69, were any contracting complaints filed against that firm? A. No.

Q. No fines were imposed? A. Not '68, '69.

Q. As a matter of fact, Mr. Stofsky, wasn't there a complaint filed in November, 1968, for contracting? A. I don't have that. I have one in January of 1970.



*George Stofsky—for Defendants—Cross*

Q. Right. But you have no record of a November (1322) '68 complaint? A. This is the only one that I was given.

Q. And there is certainly no record of any fine for those years, '68 and '69? A. Not that I know of.

Q. On January 16, 1970, was such a complaint filed? A. According to this record, yes.

Q. Do you know whether a book investigation was conducted? A. No, I do not.

Q. What was the sum of the fine? A. The impartial chairman imposed a hundred-dollar fine.

Q. A hundred dollars? A. Yes. I'm not certain, Mr. Sabetta, but this is a little trimming shop. It couldn't have been anything significant.

Q. Mr. Abramowitz can ask you questions if he wants to ask you. Please confine yourself to the questions I am asking you. Now, with respect to Mr. Grossman, do you have a sheet on that firm? A. No, I do not.

Q. Well, if I told you that complaints were filed (1323) in '66, '67, '69, '70, would you have reason to doubt that? A. No.

Q. If I told you that he was fined in 1967 \$150, would you have any reason to doubt that? A. No.

Q. Directing your attention to 1973, do you have any recollection of any complaints against Mr. Grossman at that time? A. I know that we did have complaints, yes.

Q. Do you know when the original indictment was filed in this case? A. Which one?

Q. The original indictment? There was one single indictment. Do you recall when that was filed? A. Yes.

Q. Approximately when was that? A. March '73.

Q. March of '73? A. Yes, sir.

Q. Now, isn't it a fact, Mr. Stofsky, that in May of 1973 a complaint was filed against the Grossman firm for contracting? A. Yes.

Q. Isn't it a fact that some months later that firm

*George Stofsky—for Defendants—Cross*

(1324) was suspended from the protection of the contract initially and that a settlement was worked out between the union and Mr. Grossman wherein that firm paid a \$10,000 fine to the union for contracting? A. Yes, and for the first time we got all of his books.

Q. That is a fact? A. Yes, that is a fact.

Q. No complaints were filed in '68, were there? A. I don't know.

Q. No complaints were filed in 1971, were there? A. I don't know, Mr. Sabetta.

Mr. Sabetta: May we have this marked as a Government's exhibit. Let the record note that this was produced by Mr. Abramowitz now.

(Government's Exhibit 58 was marked for identification.)

Q. Take a look at this document and see if it refreshes your recollection as to the nature of the action taken by the union against the Schwartzbaum firm? A. Yes.

Q. Does that tell you now what the union was striking against? (1325) A. Yes, it does.

Q. What was it? A. Buying imports.

Q. Not contracting? A. That is correct.

Q. Do you have a sheet there for Walter Steil? A. I don't think so. No, I do not.

Q. Would it surprise you if I told you that in 1968 there were four separate complaints against Mr. Steil for contracting? A. No, it would not.

Q. Would it surprise you if I told you that no action whatever was taken against Mr. Steil for contracting?

A. It would not surprise me at all, because if—

Q. Mr. Stofsky—

Mr. Abramowitz: Let him finish the answer.

Mr. Sabetta: I didn't ask him why.

*George Stofsky—for Defendants—Cross*

Mr. Abramowitz: He is cutting off the witness.  
The Court: I think I will sustain the objection.

He may answer that question more fully.

Q. All right, Mr. Stofsky, would you answer that? A. I mentioned a little while ago that some business agents made it a practice of writing out (1326) contracting complaints on a general principle almost, and one of those was a man named Wolliner. He used to write them out.

The Court: I am going to restrict you to answering the question that was asked. I gathered that you have not completed your answer with respect to a specific question. You may fully answer the specific question. The question is directed as to whether or not you would be surprised as to Walter Steil that what—

Q. That four complaints were filed against him in '68 and no action was ever taken against him.

The Court: What is your answer?

A. No, I would not be surprised.

Q. Do you know a man named Victor Lust? A. No.

Q. You do not know him at all? A. No, sir.

Q. Did you hear the testimony in this courtroom that Mr. Lust runs a union shop composed of one person? A. I believe I did.

\* \* \*

(1327) \* \* \*

Q. Can you tell us what 40 for identification is? A. 40 is a settlement and release signed between the union representative by Mr. Wolliner and the Victor Lust firm—I think that is the name of the company—signed by a man named Victor Lust.

*George Stofsky—for Defendants—Cross*

Q. You do not know Victor Lust? A. No, I do not.

Q. What was the agreed upon settlement for that violation? A. \$750.

Q. Article 16, Paragraph 1, Section B, and Article 12, Paragraph 11 refer to what? A. I'm not sure, Mr. Sabetta. If you will let me look at the agreement——

Q. Please do. Let me suggest that you begin by looking at the contracting provisions——

Mr. Sabetta: —handing to the witness, (1328)

your Honor, Government's Exhibit 1 in evidence. A. Yes?

Q. Is that what those references are to, the contracting provisions? A. Yes.

Q. That is a settlement for a contracting violation, is it no? A. I assume so.

Q. Now, addressing your attention to the backs of those complaints, beginning with March 29, 1968, do you see the reference to Mr. Victor Lust on the back of that complaint? A. Yes.

Q. What was the size of the alleged violation by Mr. Steil in terms of the labor costs done by Mr. Lust? A. \$85.

Q. And nothing was done so far as you know with the prosecution of the complaints against Mr. Steil which you have in your hands now? A. As far as I know.

Q. And the work performed by Mr. Lust totaled about \$68? A. \$85.

Q. \$85? (1329) A. Yes.

Q. Mr. Lust in his settlement of the contracting dispute with the union was fined \$750? Is that right? A. Yes.

Q. You say you have no knowledge as to whether he is a one-man shop or not? A. I do not.

Q. Incidentally, is it a practice for the union to organize a man who runs a wholly owned shop like that?

A. It is not the practice of the union at all, but unfortunately what happens is that the manufacturers may find themselves during the period of time where they may



*George Stofsky—for Defendants—Cross*

have had ten people and because of a lack of business they wind up with one or two.

Q. Do you know whether that was true in the case of Mr. Lust? A. I have no idea.

Q. Is Mr. Wolliner alive? A. Yes, he is.

Q. Do you have a sheet there for Sherman Brothers? A. Yes, I do.

Q. Does that sheet reflect whether or not any complaints were filed against Mr. Sherman or his firm in '67? A. No.  
(1330)

Q. And in '68 there was a complaint filed in January? Is that correct? A. That is correct.

Q. And he was fined \$200? A. And had to add a cutter and a floor worker.

Q. He was directed to take on two additional workers? A. Yes.

Q. In 1970, on August 6, he was fined another \$250? A. Yes.

Q. Do you know whether any book investigations were done at that time of that firm of your own knowledge? A. I don't know.

Q. Now, Mr. Stofsky, I want you to direct your attention to November 2, 1970, with respect to the Sherman Brothers firm and ask you whether a complaint was filed on that date against that firm? A. Yes.

Q. That complaint later resulted in the suspension of the firm for three months from the agreement? A. That was the impartial chairman's decision.

The Court: What year? 1970?

The Witness: '71, I have.

(1331)

The Court: The disposition was in '71, but the complaint was in '70.

The Witness: The impartial chairman decided it almost a year later, in '71.

*George Stofsky—for Defendants—Cross*

Q. And he directed the firm be suspended from the protection of the agreement? A. That is correct.

Q. And this took place incidentally, the filing of the complaint, after Mr. Glasser left the market? Is that right? A. November, yes, that would be right.

Q. And the union later reached an agreement? Isn't that right? A. I don't know.

Q. Well, isn't it a fact that the firm was later fined \$2,500 and directed to take on four additional workers? A. I don't know.

Q. You have no knowledge of that? A. No.

Q. The sheet does not reflect that at all? A. No, it doesn't.

Q. Now, Mr. Stofsky, the union in 1971 and 1972 knew where all the contractors were? (1332) A. Not all.

Q. Virtually all? Isn't that true? A. Yes. I would say yes.

Q. In fact, you directed the business agents in the summer of 1971 to go out and ask them to close down during August, the vacation period? A. I did.

Q. And later again in '72 you directed business agents to go out in January and February and ask them to close down during that period? A. I did.

Q. So for the most part you knew exactly where they were located? A. Well, we know that most of them are in the market and business agents know who is in their building.

Q. Now, if Mr. Poulos' testimony is correct that he employed say some six to ten people at various times during the year in his shop, would you agree with him that that would be a fairly sizable shop? A. Indeed.

Q. It would be a big one? A. Probably the biggest.

Q. Do you have any knowledge of whether Mr. Gold ever visited that shop? (1333) A. I do not.

Q. Do you have any knowledge which would tend to discredit Mr. Poulos' assertion?

*George Stofsky—for Defendants—Cross*

Mr. Abramowitz: I object to the form of the question.

Mr. Sabetta: I withdraw it.

Q. Would it be in the ordinary course of Mr. Gold's business as the organizer and enforcer of contracting provisions to have visited a shop like Mr. Poulos? A. If he could get in.

Q. You heard Mr. Poulos testify that Mr. Gold did get in on numerous occasions? A. I heard him say—I don't know about the numerous. I did hear him say it. I was told that Mr. Poulos would not let anyone in his place.

Q. Did you ever visit Mr. Poulos' shop? A. Never.

Q. Never visited it? A. Never.

Q. Mr. Stofsky, isn't it a fact that most of these contractors are somewhat concerned about their relationship with the union?

Mr. Abramowitz: I object to the form of the question.

(1334)

The Court: Sustained.

Q. Well, is it true that the union has the power to disrupt the business of the contractors? A. The union has tried for 50 years to do that.

Q. And it succeeded in a number of cases, didn't it? A. You succeed for a period of time and then it starts all over again.

Q. Well, did you hear Mr. Poulos testify that at numerous times various contractors in his building were picketed by the union? A. Yes, I did.

Q. There is no reason to doubt that, is there? A. I think that is true.

Q. The union does picket contractors? A. From time to time.

*George Stofsky—for Defendants—Cross*

Q. And, in fact, it can keep contractors and their employees from actually working a full day? Isn't that right? A. No, that is not right. We do not have an agreement with contractors and they don't respect our picket lines.

Q. In other words, you are saying that if you draw up a picket line around a contracting shop that the union has not been successful in keeping that shop closed for (1335) the period of time when the pickets have been out? A. I'm saying that any contractor that wants to go in goes in; we don't have an agreement there; we don't. The workers of his shop are not members of the union, if he has a worker.

Q. Directing your attention to January and February of '72 are you aware of the fact that as a result of the visits of the union business agents virtually all of the contractors close down during that period of time at the union's request? A. No.

Q. Are you aware of the fact that over 50 of them closed down? A. I have no knowledge.

Q. You have no knowledge? A. I have no knowledge of how many closed.

Q. You received no reports from your business agents about that? A. Not of how many closed, no.

Q. Didn't you ask them personally to go out and do that? A. I did, pursuant to a directive of the Joint Council.

Q. And they never came back and indicated to you (1336) how successful those requests had been? A. We never knew who closed, who didn't.

Q. Mr. Stofsky, isn't the market located in about a three-block area? A. Three, four blocks.

Q. Principally? A. Yes.

Q. Is it your testimony today that you have no knowledge of how successful the efforts of the business agents



*George Stofsky—for Defendants—Cross*

were during January and February of 1972? A. Yes, it is.  
(1337)

The Court: We will take a recess in about two, and a half minutes.

Q. Mr. Stofsky, you testified that Mr. Grossman in 1972 added to his shop the shop of Bill Poulos and Mr. Poulos' workers; is that correct A. I know he did that, yes.

Q. Did he do it at your request? A. No, I never requested him to add Bill Poulos.

Q. Did you request him to add anyone? A. For many years. I had these conversations with him asking him to take up additional workers and stop giving out work.

Q. And in 1972 he did take up additional workers; isn't that right? A. I'm just—yes, '72, yes.

Q. He did take up additional workers? A. Yes.

Q. In about June of that year; isn't that right? A. I believe so.

Q. You heard Mr. Poulos' testimony that he and his workers joined Mr. Grossman's shop? A. Yes.

Q. Isn't that right? A. Yes.

(1338)

Q. Is it your testimony that prior to that time, within two or three months prior to June of '72, you had made no request of Mr. Grossman to add this additional number of workers? A. I certainly did make a request of him to do so, yes.

When? A. I'm not sure. I think I—I think I told you yesterday that I wasn't sure of what time of the year it was, whether it was around the end of '71, the beginning of '72. I'm not certain.

Q. What did you say to him on that occasion? A. I could give you the sense of it.

Q. Give us your best recollection. That's all you can

*George Stofsky—for Defendants—Cross*

give us. A. Okay. It was along the lines of many similar conversations, of urging him, of telling him: we know you give out work. We think that you are doing the wrong thing. We ask you to take up people, to be a legitimate guy, to compete on an equal level with everyone else.

We went through this so many times. His answer would be: I don't give out work. You know, it was just a year in, year out thing.

Q. What was this answer on this occasion, the same (1339) as always? A. No, it was not.

Mr. Abramowitz: Which occasion?

Mr. Sabetta: We are talking about this one occasion, I think.

A. (Continuing) It was not. At that time he also said that he—since he's now part of a conglomerate, anything that he would do, he would have to get the approval of the organization he worked for.

Q. So he didn't just give you a flat denial on this occasion? A. Yes, he gave a flat denial.

Q. A flat denial? A. Yes.

Q. Later in June of '72 he did take up Mr. Poulos' shop; isn't that right? A. Yes.

Q. Between the conversation that you have just referred to, the one in late '71 or early '72 where you made yet another request of Mr. Grossman, did the union undertake any specific activities against Mr. Grossman's shop to induce him to take in Mr. Poulos? A. Not that I know of.

Q. So that between this end of 1971, early '72 (1340) conversation, and taking in these additional union workers, so far as you are concerned, the union exerted no additional pressures on Mr. Grossman; is that right? A. Not that I know of.

*George Stofsky—for Defendants—Cross*

Q. None that you know of? A. Not that I recall. I just don't.

Q. Did you ever ask Mr. Hoff how is it that Mr. Grossman after all these years finally decided to add a dozen more people to his shop in or about that period? A. No, I didn't ask him because we had a followup conversation in the offices of the conglomerate on this question.

Q. Was that before or after he added the workers? A. Before.

Q. What was said at that time? A. Much the same conversation and an agreement that he would add additional workers as soon as possible.

Q. What arguments did you advance at this time which found favor with Mr. Grossman which earlier he had simply turned aside? A. I don't think Mr. Grossman cared as much at that time. He was part of a conglomerate. He was getting—you know, he had a salary. It wasn't his own business any longer. He didn't resist as strongly as (1341) he had in the past on this question.

Q. He resisted as strongly as he had? A. He did not. As long as Mr. Ricciardi, who was the head man—I don't know what his precise title is—of the conglomerate agreed, Mr. Grossman did not offer any great resistance.

\* \* \* \*

(1346) \* \* \*

Q. Mr. Stofsky, when we left off we were talking about Mr. Grossman's firm taking in additional workers in 1972; do you recall that? A. Yes.

Q. Now, we had been talking about the meeting with Mr. Ricciardi, Mr. Grossman, Mr. Hoff and yourself. Do you recall that meeting? A. Yes, I do.

Q. Approximately when did that take place? A. I am not sure, Mr. Sabetta. At the end of '71, the beginning of '72. It was somewhere in that area. It was a very busy time for us.

*George Stofsky—for Defendants—Cross*

Q. Was it at the offices of Richton International? A. Yes, it was.

(1347)

Q. On that occasion, it would be fair to say that you again urged the Grossman firm to take in additional workers? A. Yes.

Q. Do you recall advancing any new arguments to Mr. Grossman or Mr. Ricciardi on that occasion? A. No, I do not.

Q. Basically you said more or less the same thing you had said in the past; is that right? A. Yes.

Q. You told Mr. Grossman he had been contracting? A. Yes.

Q. Did you say that in front of Mr. Ricciardi? A. I don't recall, because I do remember that Mr. Ricciardi was like in and out of the room.

Q. What was the purpose of that meeting? A. It was arranged by Mr. Grossman, I assume to get Mr. Ricciardi's agreement or disagreement about the additional workers.

Q. In other words, you had spoken to Grossman before the Ricciardi meeting? A. Yes.

Q. And he said, "I will have to check with Ricciardi about this this time," is that right? (1348) A. That's it.

Q. In other words, he didn't give you a flat denial on that, he said, "I will have to take it up with my boss"?

A. He denied giving out work, and in the course of the conversation said that he is no longer the man who can determine everything there. He works for the conglomerate. He would have to take that up with them.

Q. Did you know that he retained the office of chief executive officer of Dan Grossman Fur Division of Richton International? A. I have no idea what his title was.

Q. Or—— A. I don't know what his title is.

Q. Do you know what his duties were? A. I know he was running the shop for the company.



*George Stofsky—for Defendants—Cross*

Q. And he had the power to hire and fire, did you know that? A. I assume he did.

Q. It was at Mr. Grossman's suggestion that this meeting took place? A. Absolutely.

Q. Now, was it at that meeting that it was decided that additional workers would be employed by the Grossman (1349) firm? A. I don't think that there was a decision made at the meeting, actually.

Q. When was the decision made? A. It was probably some time later that I first heard that they were going to put on additional people.

Q. From whom did you hear that? A. I think from Mr. Hoff.

Q. From Mr. Hoff? A. I think so, yes.

Q. Do you know how many workers Mr. Grossman's firm had prior to taking on these additional workers? A. I didn't know, but I recall some testimony about it here. I think it was about 11 that was mentioned.

Q. Did you ever ask Mr. Hoff how many workers he had? A. Not specifically, no.

Q. Do you know whether Mr. Hoff ever visited that shop from time to time? A. I'm sure he did.

Q. Does the business agent have access to the factory portion of each of those shops? A. Sure.

Q. How many workers did Mr. Grossman take in at (1350) that time? A. I think it was something like 12 or thereabouts.

Q. Was there any prior agreement between you and Mr. Grossman that these workers would be given membership in the union? A. There was not an agreement, but we told him, as we have told many others, that if they get people to close down a contracting shop, we will give the workers immediate permits.

Q. That's what you did here; is that right? A. Yes, sir.

\* \* \* \* \*

COPY RECEIVED

AUG 1 1974

U. S. ATTORNEY  
SO. DIST. OF N. Y.

PAUL J. CURRAN



THE ALPERT PRESS INC. 644 PACIFIC ST. BKLYN. N.Y.